# **STAFF REPORT**

SUBJECT:	Vali Cooper & Associates, Inc. Construction Management Services Measure K Contract Amendment
<b>RECOMMENDED</b> ACTION:	Recommend the SJCOG Board to Authorize the Executive Director to Execute Amendment (No. 5) to the Measure K Contract for Construction Management Services with Vali Cooper & Associates, Inc. Increasing Not to Exceed Amount by \$50,000 to \$2,322,883

# **SUMMARY:**

This proposed contract amendment No. 5, to the Vali Cooper & Associates, Inc. (VC&A) construction management services, increases not to exceed amount by \$50,000 from \$2,272,883 to \$2,322,883. The \$50,000 will come from Caltrans through the State Route 4 Construction funding agreement. The requested increase is necessary to continue providing construction management support services for SJCOG and Caltrans on the State Route 4 Crosstown Freeway Extension.

## BACKGROUND

In December 2016, the SJCOG Board approved amending the VC&A contract for the purposes of using the Caltrans resident engineer (RE) who retired at the end of December. The rationale for hiring the RE for the Crosstown Freeway was to retain the intuitional knowledge and construction project history needed to finalize the project close by October 2017. There were also four claims identified that needed to be finalized with the state's contractor. The RE's knowledge on this project is needed to insure negotiations are successful and disputes can be settled.

Weather delays resulting from the unseasonably amount of rain delayed some of the work and claims preparation since the Board's approval in December 2016. There are now up to seven claims being identified. To date four have been reviewed by the independent Dispute Resolution Board (DRB) per contract specifications. The DRB found three of the claims in favor of the State and one in favor of the contractor. Pending arbitration is still a possibility as the contractor has only accepted one out of the three DRB findings. The contractor is required to provide additional information to substantiate the reduced claim amount. If the amount is not agreed to by the state, it may require arbitration to settle. The three remaining claims are scheduled for DRB in June.

### **RECOMMENDATION:**

Authorize the Executive Director to amend the VC&A No. 5 construction management services contract to increase the not to exceed amount by \$50,000 from \$2,272,883 to \$2,322,883.

### FISCAL IMPACT:

The \$50,000 will be funded from the SJCOG's portion of the State Route 4 Western Extension "Crosstown" to Navy Drive Project.

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