



STAFF REPORT

Date: Tuesday, April 28, 2015
To: Bryan H. Montgomery, City Manager
From: Kevin Rohani, Public Works Director/City Engineer

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

SUBJECT: Amendment 1 to Agreements with ENGEO, Inc. & Kleinfelder West, Inc. for providing on-call materials testing services associated with Private Development and Capital Improvement Projects (CIP)

Background and Analysis

On June 10, 2014, the City Council approved via Resolution 50-14 agreements with ENGEO, Inc. and Kleinfelder West, Inc. for on-call material testing services with not-to-exceed contract amounts of \$50,000 per agreement, per fiscal year through June 30, 2016.

With the improvement of the State and Regional economies, the construction in Oakley has been increasing over the last year, and from all indications, will continue through 2015. This economic growth is evident in Oakley by a surge of multiple new subdivision construction projects.

City inspectors provide overall project inspection services but require the specialized material testing services to support their inspection work to ensure good construction results.

Staff has reviewed the amount of work done to date in Fiscal Year 2014/15 and projected the amount of work still to come in this fiscal year. Based on this review, staff estimates that both the ENGEO, Inc. and the Kleinfelder West, Inc. not-to-exceed amounts will run out before the end of this fiscal year; however, the projects currently under construction will not be complete. Also, Staff anticipates the start of one or more capital improvement projects before the end of the fiscal year which will necessitate additional materials testing services.

Staff is requesting an increase of the not-to-exceed amount of both contracts by \$25,000.00, raising the total amount to \$75,000.00 for each on-call contract.

Fiscal Impact

The cost for the materials testing services will be paid for from private development deposits that are collected by the City of Oakley for each development project, which is billed on a time and material basis for the actual cost of service. The cost of

inspection services for CIP projects will be paid for from each project's funding source allocation.

Recommendation

Staff recommends that the City Council adopt the resolution amending the agreements with ENGeo, Inc. and Kleinfelder West, Inc. and authorize the City Manager to execute the agreements.

Attachments

- 1) Resolution approving Amendment 1
- 2) ENGeo, Inc. Amendment 1
- 3) Kleinfelder West, Inc. Amendment 1

RESOLUTION NO. __-15

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY
APPROVING CONTRACT AMENDMENT NUMBER 1 TO THE AGREEMENTS
WITH ENGEO, INC. AND KLEINFELDER WEST, INC. FOR ON-CALL
MATERIALS TESTING SERVICES RELATED TO PRIVATE DEVELOPMENT
AND CAPITAL IMPROVEMENT PROJECTS (CIP)**

WHEREAS, on June 10, 2014 the City Council adopted Resolution 50-14 authorizing the City Manager to execute agreements with ENGEO, Inc. and Kleinfelder West, Inc. for material testing services with not-to-exceed amounts of \$50,000.00 per fiscal year for each agreement; and

WHEREAS, after review of the expenditures to date for Fiscal Year 2014/15 and projecting costs for testing services through the end of the fiscal year Staff decided that the original not-to-exceed amounts are not sufficient to complete the fiscal year; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the City Council of the City of Oakley that Contract Amendment Number 1 with both ENGEO, Inc. and Kleinfelder West, Inc. are hereby approved. Copies of the Contract Amendments are attached hereto as Exhibit A and B.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the 28th of April, 2015 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

ATTEST:

Doug Hardcastle, Mayor

Libby Vreonis, City Clerk

Date

AMENDMENT TO AGREEMENT BETWEEN THE CITY OF OAKLEY AND ENGEO, INC. RELATED TO ON-CALL MATERIALS TESTING SERVICES FOR PRIVATE DEVELOPMENT AND CAPITAL IMPROVEMENT PROJECTS (CIP)

This Amendment is entered into by and between the City of Oakley, a municipal corporation (hereinafter referred to as "City"), and ENGEO, Inc., a California Corporation (hereinafter referred to as "Contractor"), effective as of the 28th day of April, 2015.

RECITALS

- A. On June 10, 2014, City and Contractor executed an Agreement for On-Call Materials Testing Services (hereinafter referred to as the "Agreement"); and,
- B. City and Contractor now desire that the following amendments be made to the Contractor's services: Increase the not-to-exceed contract amount from \$50,000 to \$75,000;

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements contained herein, City and Contractor mutually agree and covenant as follows:

- 1. Except as provided herein, the terms used in this Amendment shall have the same meaning as the same terms have in the Agreement.
- 2. The Agreement is hereby amended as follows:
 - a. Section 2, Compensation is amended as follows: increased from \$50,000 to \$75,000
- 3. Except as provided herein, all other terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City of Oakley, a municipal corporation in the State of California, has authorized the execution of this Amendment in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. _____, adopted by the Council of the City of Oakley on the 28th day of April, 2015, and the parties have caused this Amendment to be executed in duplicate.

City	Contractor
City of Oakley, a municipal corporation	ENGEO, Inc.

By: _____
Bryan H. Montgomery, City Manager

By: _____
Name, Title

ATTEST:

Libby Vreonis, City Clerk

APPROVED AS TO FORM:

Derek P. Cole, City Attorney

**AMENDMENT TO AGREEMENT BETWEEN THE CITY OF OAKLEY AND KLEINFELDER WEST, INC.
RELATED TO ON-CALL MATERIALS TESTING SERVICES FOR PRIVATE DEVELOPMENT AND
CAPITAL IMPROVEMENT PROJECTS (CIP)**

This Amendment is entered into by and between the City of Oakley, a municipal corporation (hereinafter referred to as "City"), and Kleinfelder West, Inc., a California Corporation (hereinafter referred to as "Contractor"), effective as of the 28th day of April, 2015.

RECITALS

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City

Contractor

City of Oakley, a municipal corporation

Kleinfelder West, Inc.

By: _____
Bryan H. Montgomery, City Manager

By: _____
Name, Title

ATTEST:

Libby Vreonis, City Clerk

APPROVED AS TO FORM:

Derek P. Cole, City Attorney