



CITY COUNCIL STAFF REPORT



August 9, 2022

ITEM TITLE

Agreement Amendment: Approve an Amendment to the Agreement with Kleinfelder Construction Services, Inc. for On-Call CIP Construction Management Consulting Services to Increase the Maximum Compensation Amount During the Third Option Term

Report Number: 22-0201

Location: No specific geographic location

Department: Engineering and Capital Projects

Environmental Notice: The Project qualifies for a Categorical Exemption pursuant to the California Environmental Quality Act State Guidelines Section 15301 Class 1 (Existing Facilities), Section 15309 Class 9 (Inspections), and Section 15061(b)(3).

Recommended Action

Adopt a resolution approving an amendment to the Consultant Services Agreement with Kleinfelder Construction Services, Inc. for On-Call CIP Construction Management Consulting Services to increase the maximum compensation during the third option term from \$1,000,000 to \$2,000,000.

SUMMARY

On November 7, 2017, the City of Chula Vista (City) entered into a City of Chula Vista Consultant Services Agreement with Kleinfelder Construction Services, Inc. to Provide On-Call CIP Construction Management Consulting Services (Agreement). On November 8, 2021, the City and Kleinfelder executed a Notice of Option to Extend Agreement for Option No. 3 (Third Option) to continue services under the Agreement for an additional year with a maximum compensation amount of \$1,000,000 during the Third Option term. Kleinfelder has provided ongoing quality service and continues to help City staff keep pace with the number of CIP projects currently in construction, and has now nearly reached the maximum compensation amount under the Third Option. The City and Kleinfelder desire to amend the Third Option to increase the maximum compensation amount from \$1,000,000 to \$2,000,000 to allow Kleinfelder to continue to provide on-call construction management and inspection services for CIP projects, including Measure P funded projects, during the Third Option term.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities), Section 15309 Class 9 (Inspections), and Section 15061(b)(3); because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Thus, no further environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

The Department of Engineering and Capital Projects manages preliminary engineering, design, construction management, and inspection of the City's CIP projects, including Measure P Projects. Due to the increase in funding associated with Measure P, Transnet, and the American Rescue Plan Act, the current fiscal years CIP Program exceeds \$50 million dollars. The City made commitments to deliver improvements for infrastructure throughout Chula Vista which takes significant effort to plan, fund, and construct. Kleinfelder assists with the construction management and inspection of CIP projects, including Measure P funded projects, when workload exceeds the capacity of existing City staffing levels.

On November 7, 2017, by Resolution No. 2017-0200, the City Council approved the Agreement (Attachment 1) with Kleinfelder. On November 8, 2021, the City and Kleinfelder executed the Third Option (Attachment 2) to extend the term of the Agreement to November 7, 2022 and included a maximum compensation amount of \$1,000,000 during the Third Option term. Since then, Kleinfelder has managed and inspected construction of numerous Measure P funded projects for both the Engineering and Capital Projects and Public Works Departments. Kleinfelder has performed satisfactorily and provided well-qualified staff with experience and expertise in a variety of construction methods, field inspection, construction management, and contract administration. Kleinfelder has nearly reached the maximum compensation amount for the Third Option term. If the resolution is approved, the allowable maximum compensation amount for the Third Option term would be increased from \$1,000,000 to \$2,000,000 to allow Kleinfelder to continue to provide services to help City staff keep pace with the number of projects in construction. As such, City staff recommends approving the resolution.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.). Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

All fees for Kleinfelder's services will be paid from funds already allocated for CIP or development-funded projects.

ONGOING FISCAL IMPACT

Kleinfelder and the City have executed all three options to extend their agreement and Kleinfelder will complete this agreement with the City on November 7, 2022.

ATTACHMENTS

1. City of Chula Vista Consultant Services Agreement with Kleinfelder Construction Services to Provide On-Call CIP Construction Management Consulting Services
2. Notice of Exercise of Option To Extend Agreement for Option No. 3
3. First Amendment to Notice of Exercise of Option to Extend Agreement for Option No. 3

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