



OVERSIGHT BOARD

OF THE CITY OF LONG BEACH AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

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May 7, 2012

OVERSIGHT BOARD MEMBERS

RECOMMENDATION:

Approve and authorize the City Manager to execute a contract amendment with CBM Consulting, Inc., not to exceed the amount of \$333,600 for additional services related to Fire Station 12, and amend the enforceable obligation payment schedule to reflect such additional payments.

DISCUSSION

City staff is working cooperatively with the Fire Department (FD) and the Department of Public Works (PW) on the construction of the new Fire Station 12 and Emergency Resource Center (Project). The facility is being constructed at 1199 East Artesia Boulevard, a 1.2-acre site in North Long Beach.

In December 2008, the former Redevelopment Agency retained CBM Consulting, Inc. (CBM) to work with staff and the project design team during the design development stage for the Project. These services were necessary to ensure that the facilities' design goals were met and to review the final plans, construction drawings and construction bid package. The former Redevelopment Agency entered into an agreement with Gonzales Construction (Gonzales Contract) for construction of the Project on March 15, 2010.

Given the size, complexity and duration of the Project, on March 15, 2010, the former Redevelopment Agency also retained CBM to provide expert construction management services during the construction period. Since that time, CBM has worked diligently with staff during construction.

The CBM contract, as originally approved, anticipated an 18-month construction period. In October 2011, the contract was amended to enable CBM to provide essential services as the construction period continued past original estimates.

Because of construction delays, it is now necessary to further amend the contract so that CBM may continue to provide construction management services for up to an additional 12 months. The amendment is necessary to continue the provision of an essential service in support of an enforceable third-party obligation as authorized by Health & Safety Code Section 34177(c) and 34177(i). The maximum cost for additional services under the amendment is \$333,600 and is potentially recoverable under the Gonzales Contract liquidated damages provisions. CBM's contract expired on February 1, 2012. Pursuant to

OVERSIGHT BOARD MEMBERS

May 7, 2012

Page 2 of 2

the authority granted by Health & Safety Code Section 34177(a)(1), the enforceable obligation payment schedule previously adopted by the Successor Agency was amended to include additional payments authorized by this action, subject to Oversight Board approval.

This matter was reviewed by Deputy City Attorney Richard Anthony on March 28, 2012, and subsequently approved by the Successor Agency of the City of Long Beach on April 17, 2012.

Respectfully submitted,



PATRICK H. WEST
CITY MANAGER

PHW:AJB:RMZ:SJ