DATE: June 16, 2006

SUBJECT: Authorization of an Amendment to Agreement Number 161-01 between Arlington County and Lavigne Associates for Architectural and Engineering Services for the construction administration of the new Fire Station No. 5 that is being performed by the bonding company’s contractor.

C. M. RECOMMENDATION:

1. Authorize Amendment No. 4 to Agreement Number 161-01 for architectural and engineering construction administration services for the new Fire Station No. 5, with Lavigne Associates Architects, PC, to include a base contract increase of $60,000 and a contingency increase of $10,000, for a total contract authorization of $613,000 with a total contract contingency of $52,000, for a total authorization of $665,000.

2. Authorize the Purchasing Agent to execute the contract documents, subject to legal review by the County Attorney.

ISSUES: None

SUMMARY: This is a request to increase the construction administration services due to the extension of contract time related to the bonding company completing the construction. All costs associated with the extended time are at no additional cost to the County. They will be held against the original contract funds remaining as outlined in the takeover agreement.

BACKGROUND: The original construction contract for the new Fire Station No. 5 was awarded to Dynasty Construction, Inc. on September 13, 2003 in the amount of $4,275,000. On June 1, 2005, the contract with Dynasty Construction was terminated by the County for failure to complete the work in the specified period, which included two time extensions, as well as faulty and non-acceptable work. The project was approximately 70% complete at the time of termination. Of the $4,275,000 total contract amount, the contractor had been paid a total of $3,078,706, or approximately 72%, and $129,431 was approved in change orders.

Subsequently, the County signed a Takeover Agreement with the bonding company giving them the responsibility to complete the project as specified by the original contract.
DISCUSSION: The Bonding agency, Great American Insurance Company, (GAIC) has hired Combined Services Inc. (CSI), a contractor, to complete the project and it is now under their authority that the construction moves forward. In order to assure the final Station lives up to the originally specified requirements, significant time has been spent evaluating the existing conditions of construction, determining what is wrong with the building and the best way to fix the problems, getting the project re-mobilized and re-engaging sub-contractors to complete the project.

The Architectural and Engineering firm’s continuing efforts are required during the remaining construction in order to ensure that the project complies with the contract documents and provide direction for corrective work. Additionally, their services will be required to determine the merits of any claims made by the original construction contractor if there are ongoing contractual disputes. The original estimated time extension for additional services was based on a contractor being retained by the County in September of 2005 with an estimated 6 month completion date. Additional funds are required to retain the Architect’s Construction Services until completion of the project, currently estimated to be this winter.

FISCAL IMPACT: Approximately $1.3M of the original contract balance remains from the termination of the previous contract and can be used toward completing the work. All additional costs incurred are subtracted from the contract balance, as stipulated in the takeover agreement. The County is not bearing any of these additional costs that are a result of the default.