

IV. BACKGROUND

The city's Capital Improvement Program (CIP) calls for Del Amo Park Improvements Phase II under Project No. 995; Del Amo Park Improvements Phase III under Project No. 1254; Del Amo Park Improvements Phase IV under Project No. 1269; and Del Amo Park Improvements Phase V under Project No. 1296.

Project No. 995: Del Amo Park Improvements Phase II consisted of replacing the entire roof, re-evaluating the integrity of the structure, modifying the building to comply with the Title 24 regulation, and replacing portions of structural damage due to termite infestation, dry rot and flood damage.

Project No. 1254: Del Amo Park Improvements Phase III consisted of repairing and modifying the kitchen area.

On June 4, 2008, the City Council approved a Professional Services Agreement with KEC Engineers, Inc. to provide architectural/structural design services for Project No. 995: Del Amo Park Improvements Phase II and Project No. 1254: Del Amo Park Improvements Phase III, for a negotiated fee not-to-exceed \$165,560.00 (Exhibit No. 2).

On March 18, 2009, the City Council approved the PS&E, ordered the work and authorized the staff to advertise the work and call for bids for Project No. 995: Del Amo Park Improvements Phase II and Project No. 1254: Del Amo Park Improvements Phase III (Exhibit No. 3).

On May 5, 2009, the City Council awarded a construction contract for Project No. 995: Del Amo Park Improvements Phase II and Project No. 1254: Del Amo Park Improvements Phase III in the amount of \$685,000.00, plus 15% construction contingency in the amount of \$102,750.00, to the lowest responsible bidder, W.E. Construction Inc. (Exhibit No. 4).

On May 20, 2009, the City Council approved a Professional Services Agreement with Dudek to provide Construction Management Services for Project No. 995: Del Amo Park Improvements Phase II and Project No. 1254: Del Amo Park Improvements Phase III; in the amount of \$85,500.00 (Exhibit No. 5).

On October 20, 2009, the City Council approved the Second Amendment to the Professional Services Agreement with KEC Engineers, Inc. to provide architectural/structural observation and for modification to the structural details due to the field condition for a negotiated fee not-to-exceed \$11,000.00 (Exhibit No. 6). The First Amendment to the Professional Services Agreement with KEC Engineers, Inc. was for Project Nos. 1269 and 1296 only.

During the course of the construction, Dudek was required to provide additional