DATE: 1/14/2019

TO: Board of Harbor Commissioners

FROM: Darrin Lambrigger, P.E., Director of Construction Management

SUBJECT: On-Call Rental of Construction Equipment

Authorize First Amendment to Contract HD-8723
Specification HD-S2546A, Contract HD-8723
Lovco Construction, Inc.

Executive Summary
A construction contract for On-Call Rental of Construction Equipment was conditionally awarded to Lovco Construction, Inc. on November 28, 2016. The current contract term will end on February 9, 2019. Staff is recommending a six-month contract extension to avoid a gap in services before the new contract is in place.

Key Points
- This contract provides fully maintained, operated and insured construction equipment for maintenance and repair of facilities and streets, managing soil stockpiles, miscellaneous land development within the Port, and storm water runoff and dust control compliance.
- The current contract term ends on February 9, 2019.
- Staff is recommending the current contract term be extended to ensure there is no gap in services while staff proceeds with the procurement of a new contract.

Recommendation
It is recommended that the Board of Harbor Commissioners authorize the Executive Director to execute the First Amendment to Contract HD-8723 with Lovco Construction, Inc., extending the contract term by six months to August 9, 2019, for On-Call Rental of Construction Equipment.

Financial Impact
All work performed under this contract is funded from previously approved, specific project funds. The contractor is paid only for work performed. The original contract value was $2,927,090.00. Three change orders have been issued for a total amount of $663,134.00. To date, $1,671,264.48 has been expended out of a current contract value of $3,590,224.00. The contractor has agreed to hold their prices for the proposed six-month contract extension.

Background
Specification HD-S2546A was utilized to provide fully maintained, operated, and insured construction equipment for maintenance and repair of facilities and streets and for miscellaneous land development within the Port on an on-call contract basis. The equipment is also used for furnishing and installing material to comply with regulatory requirements related to dust control and storm water run-off. This type of contract
allows the issuance of task orders to the contractor to perform work utilizing various unit price bid items. All required permits are obtained prior to scheduling contract work. The original contract period is two years from the date the Notice to Proceed was issued.

On November 28, 2016 the Board approved the conditional award of a construction contract to Lovco Construction, Inc. A Notice to Proceed was issued on February 10, 2017, with a required completion date of February 9, 2019.

Detailed Discussion of Current Issues
Bid documents for a new on-call contract for rental of construction equipment are currently under development. Staff recommends a six-month extension to cover a potential gap in services before the new contract is in place.

Attachment: First Amendment to Contract HD-8723