



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 05-11-05

Approved

Date

5/16/05

Council District: Citywide

**SUBJECT: MASTER AGREEMENT WITH TERRASEARCH, INC. FOR
CONSULTANT AND TESTING LABORATORY SERVICES FOR VARIOUS
PROJECTS**

RECOMMENDATION

Approval of a master agreement with Terrasearch, Inc. for materials testing and special inspection services for various City projects, in an amount not to exceed \$500,000, from the date of execution to June 30, 2007.

CEQA: Not a project.

BACKGROUND

Various City projects scheduled for construction during the next two years will involve pile foundations, structural steel, post-tensioned concrete slabs, and various types of welding that require special inspection as required by California Building Code. The required structural inspection services are not performed by City forces and so must be provided for by a consultant.

ANALYSIS

Under the recommended master agreement, Terrasearch, Inc. will provide materials testing and special inspection services for City projects that involve post-tensioned concrete slabs containing steel tendons and extensive welding. In addition, as needed, Terrasearch is able to provide standard soil and asphalt testing and material verifications that are performed by City staff in order to supplement and increase the capacity for such services as workload demands.

The consulting engineering testing firm Terrasearch, Inc. was selected in accordance with the City consultant selection policy. In February 2005, an interview panel comprised of staff from the Departments of Public Works, Library, Fire and Police along with consulting architect

reviewed statements of qualifications from 12 testing firms. Interviews were held in March 2005 with the top five firms after which, Terrasearch, Inc. was the top ranked firm.

Under this master agreement, Terrasearch, Inc. will provide special inspection services for projects including libraries, fire and police stations, and the New City Hall Offsite Employee Parking Garage. Special inspections are inspections that are not now provided by City forces nor has City staff provided them in the past. They include materials tests and inspections for steel construction. In addition Terrasearch will be available to provide soil and asphalt engineering testing and material verifications to augment services generally provided by City forces in order to increase testing capacity to meet the demands of construction contracts and minimize impacts to schedules.

The master agreement establishes a range of services that the consultant may provide for various projects. Terrasearch Inc. will perform the services authorized by specific service orders, the sum of which cannot exceed \$500,000. Services for a specific project are authorized by individual service order that details a scope of services, schedule, and compensation and also identifies an appropriate funding source. Services are paid from the project specific funding source.

OUTCOME

Approval of this agreement supports the Mayor's mandate to streamline policy to increase efficiency on City projects, by having a consultant specialist readily available to respond to inspection needs of on-going construction.

PUBLIC OUTREACH

A Request for Qualifications was advertised in the *San Jose Mercury News* and the City's Internet Bid Line.

Staff conducted a consultant selection process starting in January 2005 that complied with the City's Qualifications Based Consultant Selection (QBCS) policy presently in effect. Twelve Materials Testing firms submitted qualifications packages. A selection board was formed and subsequently interviewed the five top rated firms. Those five firms were subsequently ranked as follows:

Material Testing firms:

1. Terrasearch, Inc.
2. Consolidated Engineering Laboratories
3. Construction Testing Services
4. Kleinfelder
5. Coverall Engineering Laboratories

In accordance with the QBCS policy, staff successfully negotiated the master agreement terms with the top ranked Materials Testing firm, Terrasearch, Inc. The remaining interviewed consultants have been notified of their rankings and that staff is recommending the approval of this master agreement to Terrasearch, Inc.

COORDINATION

This agreement and memorandum have been coordinated with the Planning, Building and Code Enforcement Department, City Attorney’s Office and City Manager’s Budget Office.

COST IMPLICATIONS

1. AMOUNT OF AGREEMENT: \$500,000
2. COST OF PROJECT*:

Project Delivery	\$50,000	
Consultant Agreement	500,000	
TOTAL PROJECT COSTS		\$550,000

* No additional appropriation of funds is necessary for this agreement.
3. SOURCE OF FUNDING: Various Capital Funds
4. FISCAL IMPACT: This agreement is consistent with the Council-approved Budget Strategy since the proposed expenditure is funded by a source other than the General Fund. Construction of the projects for which these services are being secured will also be consistent with the Economic Recovery section of the Budget Strategy in that it will help spur construction spending in the local area.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.*	Amt. For Contract	2004-05 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No.)
Various Capital Funds	Various	Various	TBD	N/A (see * below)	\$500,000		2004-2005 Adopted Capital Budget
		TOTAL		\$-0-	\$500,000		

HONORABLE MAYOR AND CITY COUNCIL

05-11-05

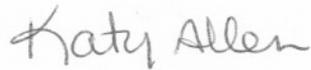
Subject: Master Agreement with Terrasearch, Inc. for Materials Testing Laboratory and Consultant Services.

Page 4

* This budget reference is for the current fiscal year only. As this is a multi-year agreement, the total costs will be appropriated and expended over several fiscal years. Expenditures and encumbrances will be charged to capital appropriations identified upon issuance of service orders under this Master Agreement.

CEQA

Not a project.



KATY ALLEN
Director, Public Works Department

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