



Agenda Report

Fullerton City Council

MEETING DATE: MAY 7, 2024

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEPHEN BISE, P.E., PUBLIC WORKS DIRECTOR

PREPARED BY: JUAN ZAVALA, PRINCIPAL CIVIL ENGINEER
KAREN CHUNG, ADMINISTRATIVE ANALYST II

SUBJECT: ARDURRA GROUP INC. PURCHASE ORDER NOT-TO-EXCEED LIMIT INCREASE FOR ON-CALL CONSTRUCTION INSPECTION AND MANAGEMENT SERVICES

SUMMARY

Request to increase the purchase order not-to-exceed limit for Ardurra Group Inc. from \$200,000 to \$500,000 to provide reimbursable on-call construction inspection and management services related to the SiFi Fiber Optic Network Project.

PROPOSED MOTION

1. Authorize Public Works Director, or designee, to issue a change order to increase the Ardurra Group Inc. purchase order not-to-exceed limit from \$200,000 to \$500,000 for reimbursable (cost neutral impact) on-call construction inspection and maintenance services for the SiFi Fiber Optic Network Project.
2. Authorize Director of Administrative Services, or designee, to issue two additional annual purchase orders to Ardurra Group Inc. not to exceed \$500,000 each for reimbursable (cost neutral impact) on-call construction inspection and maintenance services for the SiFi Fiber Optic Network Project.
3. Authorize City Manager, or designee, to appropriate expenditures and revenues reimbursed by SiFi per fiscal year (cost neutral impact) for on-call construction inspection and maintenance services for the SiFi Fiber Optic Network Project.

ALTERNATIVE OPTIONS

- Approve the proposed motion
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

The City Manager recommends approval. This contract is for inspection of the SiFi Fiber Optic Network Project and the City is reimbursed for these costs.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statements:

- Fiscal and Organizational Stability
- Infrastructure and City Assets.

FISCAL IMPACT

The City can bill 100% of on-call construction inspection and management services provided by Ardurra Group Inc. for the SiFi Fiber Optics Network Project to SiFi for reimbursement. The City covers upfront costs for work performed by Ardurra Group and then receives reimbursement from SiFi Networks, resulting in a cost-neutral City General Fund impact.

The proposed change order would increase the Ardurra Group Inc. not to exceed purchase order amount by \$300,000 from \$200,000 to \$500,000. Staff would issue future purchase orders with a \$500,000 not to exceed amount until the SiFi Fiber Optic Network Project is complete and inspection services are no longer needed.

BACKGROUND AND DISCUSSION

City Council approved On-Call Professional Services Agreements with several engineering firms on September 19, 2023 to provide as-needed professional engineering services and authorized the Director of Administrative Services, or designee, to issue project purchase orders to awarded firms not-to-exceed \$200,000 on an as-needed basis (Attachment 1). The City selected Ardurra Group Inc. as one of five firms awarded a Professional Services Agreement under the Staff Augmentation category and chose Ardurra to assist with the SiFi Fiber Optic Network Project due to their extensive knowledge and experience working with other local municipalities with similar scope of work.

City Council awarded a Professional Services Agreement with Ardurra Group Inc. on September 19, 2023 for a three-year term and one two-year extension option (Attachment 2). Staff found the previously approved \$200,000 not-to-exceed purchase order (Attachment 3) low for the SiFi project due to increased scope of work and longer than anticipated project duration.

The following table lists monthly invoices accrued since the agreement execution:

#	Date Services Incurred	Amount Incurred
1	November 1, 2023 - November 30, 2023	\$46,200.00
2	December 1, 2023 - December 31, 2023	\$34,090.00
3	January 1, 2024 - January 31, 2024	\$75,880.00
4	February 1, 2024 - February 29, 2024	\$53,392.50
5	March 1, 2024 - March 31, 2024	\$65,922.50
Total:		\$275,485.00
Average/Per Month:		\$55,097.00

The City needs to maintain Ardurra construction inspection services to keep pace with SiFi construction activities. Ardurra construction inspectors exclusively inspect SiFi-related construction activities to ensure SiFi adheres to approved standards and materials while safeguarding public infrastructure. Ardurra services enable SiFi to adhere to their schedule for the city-wide fiber optic network rollout while alleviating the workload of in-house inspectors who already manage a heavy workload.

The City anticipates increased construction activity from SiFi due to improved weather conditions and daylight savings. Ardurra services related to the SiFi project incur no cost to the City as SiFi fully reimburses expenses. The provided on-call services from Ardurra would have no impact on the City General Fund.

Attachments:

- Attachment 1 - September 19, 2023 Agenda Report and Minutes
- Attachment 2 - Ardurra Group Inc. Professional Services Agreement
- Attachment 3 – Ardurra Group Inc. Purchase Order B255223

cc: City Manager Eric J. Levitt