



City of Rialto

Legislation Details (With Text)

File #: 17-1081 **Version:** 1 **Name:**
Type: Agenda Item **Status:** Agenda Ready
File created: 11/15/2017 **In control:** City Council
On agenda: 12/12/2017 **Final action:**
Title: Request City Council to (1) Accept the Baseline Road and Acacia Avenue Traffic Signal Upgrade Project , City Project 140815; (2) Authorize Filing of the Notice of Completion; and (3) Authorize Release of Retention to Old Republic Surety Company.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Attachment 1-Old Republic Surety Agreement, 2. Attachment 2-Notice of Completion-Baseline and Acacia, 3. Attachment 3-CCO 1, 4. Attachment 4 - Notice of Exemption, 5. Attachment 5 GASB34 BaselineAcacia TS

Date	Ver.	Action By	Action	Result
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For City Council Meeting [December 12, 2017]

TO: Honorable Mayor and City Council

APPROVAL: Michael E. Story, City Administrator

FROM: Robert G. Eisenbeisz, P.E., Public Works Director/City Engineer

Request City Council to (1) Accept the Baseline Road and Acacia Avenue Traffic Signal Upgrade Project , City Project 140815; (2) Authorize Filing of the Notice of Completion; and (3) Authorize Release of Retention to Old Republic Surety Company.

BACKGROUND:

On October 25, 2016, the City Council approved the construction plans and contract specifications, and authorized the release of Request for Bids No. (RFB) 17-004 for the Baseline Avenue and Acacia Avenue Traffic Signal project, City Project No. 140815.

On January 12, 2016, City Council awarded a construction contract to Smart Tech Group, Inc, (Smart Tech) in the amount of \$208,000 for the Baseline Road and Acacia Avenue Traffic Signal Upgrade Project, City Project 140815 and delegated authority to the City Administrator to approve and execute construction contract change orders up to a cumulative amount of \$20,800.

Smart Tech encountered financial difficulties and defaulted on its contract with the city to deliver the traffic signal improvements. On November 23, 2016, the City Attorney mailed a formal request to indemnify and to hold harmless the City in connection with the Complaint for Recovery on Payment Bond and Enforcement of Stop Payment Notices filed by Smart Tech's subcontractors. On February 16, 2017, staff, and the City Attorney initiated the takeover agreement with Old Republic Surety Company to complete the project for the upgrade of the traffic signal.

The agreement is included as **Attachment 1**. The agreement consisted of two notices to proceed in order to account for the pole fabrication and anticipated delivery date. One notice was an administrative notice to proceed and the second is the actual physical notice to proceed. A pre-construction meeting was held on March 22, 2017, with PTM Engineering the new contractor hired by Old Republic Surety Company to complete the project. A tentative schedule was provided to the City that outlined the staging for the completion of the construction project for the installation of the traffic signal improvements. The Notice to Proceed was issued to start work on April 26, 2017. The contractor commenced work on site on May 8, 2017. The traffic signal work was completed on July 28, 2017.

ANALYSIS/DISCUSSION:

On July 28, 2017, the Contractor completed the Baseline Road and Acacia Avenue Traffic Signal Upgrade Project. Staff conducted a final inspection and found the work to comply with the project plans, specifications and contract documents as well as City of Rialto standards. Upon acceptance by the City Council, staff will file a Notice of Completion for recordation at the County Recorder's office. A copy of the Notice of Completion to be submitted to the County is included as **Attachment 2**.

Table 1 below summarizes the total construction costs associated with the Smart Tech Group Inc. and PTM Corporation work on the Traffic Signal Upgrade Project:

Table 1- Construction Contract Summary

Old Republic Surety (PTM Engineering)	Description	Amount	Amount
Original Contract			\$208,000.00
Change Order 1.1	Added Compliant ADA Ramps	\$4,150.00	
Change Order 1.2	Upgrade to 2070 Controller	\$5,873.90	
Change order 1.3	Added ADA Compliant Truncated domes at curb ramps	\$1,500.00	
Change Order 1.4	Tap and Re-drill terminal Compartment screws	\$753.82	
Change Order 1.5	Construction of Pedestrian Push Button Post and Assembly	\$1,018.39	
CCO No. 1 Total			\$13,296.11
Total Contract and Change Orders			\$221,296.11
Total Authorized Construction Budget			\$228,800.00
Construction Budget (Over)/Under			\$7,503.89

Contract Change Order No. 1 in the amount of \$13,296.11 consisted of several work items beyond what was included in the contract scope of work. The following is a summary of the additional work performed:

- Installed additional ADA compliant ramps and domes: During construction staff discovered that the ADA ramps were not included to be upgraded, and were added to comply with the project

plans and specifications.

- Upgraded traffic signal controller: The old Econolite traffic controller was upgraded to a newer 2070 controller for additional features the old unit was not capable of being programmed to accommodate time of day plans and volume -density features.
- Modified wiring terminal compartment: Additional labor was required to tap and re-drill terminal compartment screws on four existing pedestrian heads.
- Installation of additional Pedestrian Push Button Post and assembly: One traffic signal pole was relocated due to utility conflicts that resulted in the pedestrian push button to be more than 5 feet away from the crosswalk. Therefore, staff authorized contractor to install a pedestrian post closer to the crosswalk to be ADA compliant.

The amount of the change order is within the amount previously authorized by Council. A copy of CCO No. 1 is included as **Attachment 3**. Also, City staff working with the City Attorney's office recovered all the additional inspection cost in the amount of \$13,890.00.

Table 2 summarizes the final breakdown of the total project costs:

Table 2 -Uses of Funds

Baseline and Acacia Traffic Signal upgrade	Budget as of 11/1/2017	Final/Actual	Amount Under/(Over Budget)
DESIGN & ENVIRONMENTAL	\$ 15,000.00	\$ 14,000.00	\$ 1,000.00
ADMINISTRATION	\$ 15,000.00	\$ 14,896.95	\$ 103.05
CONSTRUCTION	\$ 238,800.00	\$ 221,296.11	\$ 17,503.89
OVERHEAD ALLOCATION	\$ 9,000.00	\$ 4,170.00	\$ 4,830.00
CONSTRUCTION SUPPORT	\$ 27,000.00	\$ 26,775.10	\$ 224.90
Total Expenses	\$ 304,800.00	\$ 281,138.16	\$ 23,661.84

The final construction cost was \$221,296.11. The total project cost was \$281,138.16 which is within the appropriated budget of \$304,800.

ENVIRONMENTAL IMPACT:

Section 21084 of the California Public Resources Code requires that the guidelines for implementation of the California Environmental Quality Act (CEQA) include a list of classes of projects that have been determined not to have a significant effect on the environment and which shall, therefore, be exempt from the provisions of CEQA. In response to that mandate, the Secretary for Resources identified classes of projects that do not have a significant effect on the environment, and are declared categorically exempt from the requirement for the preparation of environmental documents. In accordance with 14 CCR Section 15301 "Existing Facilities", Class 1 projects consist of the maintenance of existing highways and streets; as a traffic signal installation project, the Baseline Avenue and Acacia Avenue Project is considered categorically exempt from CEQA. On October 17, 2013, Staff filed a Notice of Exemption for the project with the Clerk of the Board, included as **Attachment 4**.

GENERAL PLAN CONSISTENCY:

This action is consistent with Guiding Principle 3A in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

Approval of this action also complies with the City of Rialto General Plan Goal and Policies:

Goal 3-6: Require that all developed areas within Rialto are adequately served with essential public services and infrastructure.

Policy 3-6.1: Coordinate all development proposals with other affected public entities to ensure the provision of adequate public facilities and infrastructure services.

Goal 3-7: Upgrade public infrastructure as an inducement to promote private investment.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report and notice of completion.

FINANCIAL IMPACT:

The Baseline Avenue and Acacia Avenue Traffic Signal Upgrade Project was budgeted in Measure I Fund Account No. 201-500-4310-3001 and HSIP Grant Account No. 223-400-4425-7536 as summarized in the following funding Table 3.

Table 3- Funding Sources

Baseline and Acacia Traffic Signal upgrade	Budget	Total	Budget Under/ (Over)
Measure I, Fund 201	\$ 90,600.00	\$ 66,938.16	\$ 23,661.84
HSIP Grant	\$ 214,200.00	\$ 214,200.00	\$ -
Grand Total	\$ 304,800.00	\$ 281,138.16	\$ 23,661.84

The City is holding retention in the amount of \$11,064.81 for Old Republic Surety Company, pending acceptance of the improvements for maintenance and filing of the Notice of Completion with the County Recorder's office.

The Finance Department will add the new improvements to the City's fixed asset system in compliance with Governmental Accounting Standard Board (GASB) 34 *Standards for Financial Reporting of Infrastructure Assets* as **Attachment 5**.

RECOMMENDATION:

Staff recommends that the City Council:

- Accept the Baseline Avenue and Acacia Avenue Traffic Signal Upgrade Project.
- Authorize the Public Works Director/City Engineer to file the Notice of Completion at the County Recorder's Office.
- Authorize release of retention to Old Republic Surety Company, 35 days after the filing the Notice of Completion.