



# City of Rialto

## Legislation Details (With Text)

**File #:** 18-511      **Version:** 1      **Name:**  
**Type:** Agenda Item      **Status:** Agenda Ready  
**File created:** 5/23/2018      **In control:** City Council  
**On agenda:** 6/12/2018      **Final action:**  
**Title:** Request City Council to (1) Accept the Annual Street Overlay Project, City Project No. 170804; (2) Authorize an additional \$28,944.65 for Construction Contract Change Orders; (3) Authorize Filing of the Notice of Completion; and (4) Authorize Release of Retention to Matich Corporation.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Attachment 1 - Notice of Completion, 2. Attachment 2 - Contract Change Order No. 1, 3. Attachment 3 - Contract Change Order No. 2, 4. Attachment 4 - Contract Change Order No. 3, 5. Attachment 5 - Notice of Exemption

Date	Ver.	Action By	Action	Result
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For City Council Meeting [June 12, 2018]

TO: Honorable Mayor and City Council

APPROVAL: Robb R. Steel, Interim City Administrator

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

Request City Council to (1) Accept the Annual Street Overlay Project, City Project No. 170804; (2) Authorize an additional \$28,944.65 for Construction Contract Change Orders; (3) Authorize Filing of the Notice of Completion; and (4) Authorize Release of Retention to Matich Corporation.

### **BACKGROUND:**

On June 27, 2017, the City Council authorized release of Request for Bid No. 18-002 for the 2016/17 Annual Street Overlay Project, City Project No. 170804.

On August 22, 2017, the City Council awarded a construction contract to Matich Corporation, in the amount of \$1,948,000 for the 2016/17 Annual Street Overlay Project, City Project No. 170804.

### **ANALYSIS/DISCUSSION:**

On February 1, 2018, the Contractor satisfactorily completed the 2016/17 Annual Street Overlay Project. Staff conducted a final inspection and found the work to comply with the plans, specifications, and standards of the City of Rialto. 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 is included as **Attachment 1**.

During construction, field-measured work quantities were lower than the original bid quantities resulting in a credit of \$77,019.22. This credit amount was used to fully offset costs of Contract

Change Orders No. 1 and No. 2 and a portion of the cost of Contract Change Order No. 3; however, an additional authorization of \$28,944.65 is required to cover the remaining cost of Contract Change Order No. 3. Contract Change Order Nos. 1, 2, and 3 are included as **Attachments 2, 3, and 4**.

**Table 1** below summarizes the total construction costs associated with Matich Corporation's work on the Annual Street Overlay Project.

Table1

<b>2016/17 Annual Street Overlay Project</b>	<b>Description</b>	<b>Amount</b>
Original Contract		\$ 1,948,000.00
Contract Change Order No. 1	For Riverside Ave., the change order covers an asphalt concrete leveling course that was added to improve the street cross section, crackfilling of large cracks, and placement of crushed aggregate base as shoulder backing along the northern pavement edge.	\$ 35,872.56
Contract Change Order No. 2	The change order covers additional work items including pedestrian push button relocations, removal of abandoned traffic signal pole footings, replacement of damaged traffic signal conduits and pull boxes, traffic detection loops, and additional traffic striping work.	\$ 25,919.40
Contract Change Order No. 3	On Bloomington Ave. cold milling revealed poor condition of underlying asphalt concrete. The change order covers an asphalt concrete leveling course that was added to improve rideability prior to final overlay.	\$ 44,172.41
Bid Quantity Adjustments	The balance of field measured work quantities were lower than the original bid quantities.	\$ (77,019.72)
<b>Total Contract &amp; Change Orders</b>		<b>\$ 1,976,944.65</b>

The total construction cost is under the amount budgeted and available, but exceeds the authorization amount by \$28,944.65, which is approximately 1.5 percent of the contract amount and well below the customary 10 percent contingency allocation.

### **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 repair, maintenance, or minor alteration of existing public structures or facilities; therefore, the 2016/17 Annual Street Overlay Project, City Project No. 170804 is categorically exempt from CEQA. Staff has prepared and filed a Notice of Exemption for the project, included as **Attachment 5**.

**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 4-1: Provide transportation improvements to reduce traffic congestion associated with regional and local trip increases.**

Policy 4-1.1: Establish and maintain standards for a variety of street classifications to serve both local and regional traffic, including Major Arterial Highways, Major Arterials, Secondary Arterials, Collector Streets, and Local Streets.

**LEGAL REVIEW:**

The City Attorney has reviewed and approved this staff report.

**FINANCIAL IMPACT:**Operating Budget Impact

The proposed action will not affect the Operating Budget.

Capital Improvement Budget Impact

**Table 2** below shows the project funding sources and related expenditures.

**Table 2**

<b><i>Funding Sources</i></b>	<b>Budget</b>	<b>Final/Actual</b>	<b>Under/(Over) Budget</b>
<b>General Fund, Capital Projects</b>	<b>\$ 1,500,000.00</b>	<b>\$ 1,395,222</b>	<b>\$ 104,778</b>
<b>Measure I Fund 201</b>	<b>\$ 400,000.00</b>	<b>\$ 400,000</b>	<b>\$ (0)</b>
<b>Gas Tax Fund 202</b>	<b>\$ 404,985.00</b>	<b>\$ 404,985</b>	<b>\$ (0)</b>
<b>Total Funding Sources</b>	<b>\$ 2,304,985.00</b>	<b>\$ 2,200,208</b>	<b>\$ 104,777</b>
<b><i>Uses of Funds</i></b>	<b>Budget</b>	<b>Final/Actual</b>	<b>Under/(Over) Budget</b>
<b>Design/Administration</b>	<b>\$ 112,100</b>	<b>\$ 93,568</b>	<b>\$ 18,532</b>
<b>Overhead Allocation</b>	<b>\$ 11,500</b>	<b>\$ 42,330</b>	<b>\$ (30,830)</b>
<b>Construction Management &amp; Support</b>	<b>\$ 93,000</b>	<b>\$ 87,365</b>	<b>\$ 5,635</b>
<b>Construction</b>	<b>\$ 2,088,385</b>	<b>\$ 1,976,945</b>	<b>\$ 111,440</b>
<b>Total Uses of Funds</b>	<b>\$ 2,304,985</b>	<b>\$ 2,200,208</b>	<b>\$ 104,777</b>

The City is holding retention of \$98,847.23 for Matich Corporation. The Public Contract Code provides for retention release 60 days after construction completion or 35 days after filing of the Notice of Completion. Since the construction has been complete for more than 60 days, the City will release the retention upon acceptance of the work and filing of the Notice of Completion.

The construction contract was awarded in the amount of \$1,948,000. The total construction cost was

1,976,944.65. The additional authorization amount of \$28,944.65 is available within the allocated project budget.

Licensing

Matich Corporation will need to pay an additional amount on the business license tax of \$1,483.00.

**RECOMMENDATION:**

Staff recommends that the City Council:

- Accept the Annual Street Overlay Project, City Project No. 170804.
- Authorize an additional \$28,944.65 for Construction Contract Change Orders.
- Authorize the Public Works Director/City Engineer to file the Notice of Completion at the County Recorder's Office.
- Authorize release of retention to Matich Corporation.