



City of Rialto

Legislation Text

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For City Council Meeting [December 10, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Administrator

FROM: Savat Khamphou, P.E., Public Works Director/City Engineer

Request City Council to Approve Contract Change Order Nos. 1 & 2 in the amount of \$185,470.12 for the Valley Boulevard/Cactus Avenue and Linden Avenue Street Improvements Project, City Project 140802.

(ACTION)

BACKGROUND:

On July 23, 2019, City Council awarded a construction contract to H & H General Contractors, Inc. in the amount of \$1,065,905.30 for the Valley Boulevard/Cactus Avenue and Linden Avenue Street Improvements Project, City Project 140802.

ANALYSIS/DISCUSSION:

During construction, the need for contract change orders arose. The first was subsurface conditions encountered during construction which conflicted with the design plans. The second, was an overage of additional field quantities that were not accurately quantified in the plans and specifications. In order to avoid additional delays with costs associated with stopping the work and to ensure delivery of an acceptable final product, staff is requesting approval of the contract change orders. At the time of award, there was no delegation of authority for the City Administrator to approve contract change orders.

Contract Change Order No. 1

During construction of the outer lane and shoulder portions of Valley Boulevard between Spruce Avenue and Cactus Avenue, the construction inspector from Transtech Engineers discovered the pavement condition adjacent to the widening portion of the roadway to be in a distressed level. They recommended full pavement rehabilitation to provide an extended design life similar to the adjacent improvements. The approved design plans called for a removal of 2" Asphalt Concrete (AC) and installation of 2" AC over native soil. Based on the geotechnical soils report and Valley Boulevard street classification as a major arterial requiring a traffic index of 10, the recommended pavement section should have been 6.5" of AC over 7" of Aggregate Base (AB). If the project is built per the approved plans, the pavement structural section would not meet the expected life cycle of 20 years for a full depth structural section following the Caltrans Highway Design Manual and the City would need to come back and likely repair the pavement within 5 years considering this is a major arterial with high truck volumes.

Staff is investigating both internally and externally to see where the mis-communication occurred. However, regardless of the findings, staff recommends approval of Change Order No. 1 in order to

protect the city's assets and avoid additional future costs. Although these quantities in Contract Change Order No.1 were not included in the original estimates, the City would still be required to pay for these quantities and the additional cost to provide the full depth pavement structural section as now requested.

Contract Change Order No. 2

Contract Change Order No. 2 accounts for minor surveys and Class II base quantities that were significantly higher than the original estimated quantities in the bid documents. Class II base exceeded the bid amount quantities. Since actual quantities are measured and validated in the field, the amount of material required to construct the project is paid for by the unit cost. There were also some deviations on the curb elevations that were modified by the designer. This deviation necessitated the surveyor to resurvey the elevation for a second mobilization. These extra work and quantities required an additional authorization in the amount of \$32,759.12. Contract Change Order No. 2 is included as Attachment 2.

The cost of the Contract Change Order is listed in Table 1 below:

TABLE 1

Valley/Cactus/Linden	Description	Amount
Original Contract		\$ 1,065,905.30
Contract Change Order No. 1	The change order covered work related to modifying the pavement section based on the street classification and the traffic index.	\$152,711.00
Contract Change Order No. 2	The change order covers field measured work quantities that were higher than the original estimated quantities and resurveying elevation.	\$32,759.12
Total Contract and Change Orders		\$ 1,251,375.42

ENVIRONMENTAL IMPACT:

The City prepared an Initial Study and Mitigated Negative Declaration (IS/MND) for the Valley Boulevard/Cactus Avenue and Linden Avenue Widening Project. The City circulated the Initial Study for public review and comment for a 30-day period, from February 18, 2015 to March 19, 2015. The City did not receive any comments. The Development Review Committee reviewed the Valley Boulevard/Cactus Avenue and Linden Avenue Widening Project and approved a Mitigated Negative Declaration on May 3, 2017. On May 3, 2017, the City filed a Notice of Determination (NOD) with the San Bernardino County Clerk of the Board. Copies of the IS/MND and NOD are included as Attachments 3 & 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.

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

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

LEGAL REVIEW:

The City Attorney has reviewed and supports this staff report.

FINANCIAL IMPACT:

Operating Budget Impact

The proposed action will not affect the Operating Budget.

Capital Improvement Budget Impact

The budget for the project is from Measure I Funds for \$1,400,000 and Transportation Development Impact Funds for \$800,000. Actual expenditures and encumbered to date on the project are \$1,934,706.63, with remaining budget of \$265,293.37.

Sufficient budget is available in the Measure I Fund Account No. 201-500-4310-3001-140802-05 for the increase of \$185,470.12 for the Valley Boulevard/Cactus Avenue and Linden Avenue Street Improvements.

Licensing

A Business License tax at the Professional Services rate in the amount of \$254.00, based on the increased construction amount of \$185,470.12 will be assessed against the project and paid by interoffice transfer.

RECOMMENDATION:

Staff recommends that the City Council:

- Approve Contract Change Order Nos. 1 & 2 in the amount of \$185,470.12 for the Valley Boulevard/Cactus Avenue and Linden Avenue Street Improvements Project, City Project 140802.
- Authorize the City Administrator to execute contract change orders.