



CITY COUNCIL AGENDA REPORT

MEETING DATE: DECEMBER 1, 2015

ITEM NUMBER: **CC-5**

SUBJECT: HARBOR BOULEVARD IMPROVEMENTS FROM SOUTH COAST DRIVE TO SUNFLOWER AVENUE, CITY PROJECT NO. 14-07 – CHANGE ORDER NO. 3

DATE: NOVEMBER 19, 2015

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: FARIBA FAZELI, CITY ENGINEER, (714) 754-5335

RECOMMENDATION:

1. Approve Contract Change Order (CCO) No. 3 (Attachment No. 1) in the amount of \$80,812.65
2. Approve Budget Adjustment Authorization No. 16-008 (Attachment 2) in the amount of \$30,000.00
3. Authorize the Chief Executive Officer to execute the Contract Change Order

BACKGROUND:

The Harbor Boulevard Improvements Project consists of adding a fourth northbound travel lane from north of South Coast Drive to Sunflower Avenue. In addition, the project includes traffic signal modifications to intersections of Harbor/Sunflower and Harbor/Law Court. The project will meet the recommended roadway widths/geometrics as specified in the Harbor Boulevard Smart Street Study as well as the Orange County Transportation Authority (OCTA) Master Plan of Arterial Highways (MPAH).

On June 17, 2014, the City Council awarded a construction contract to All American Asphalt, P.O. Box 2229, 400 E. Sixth Street, Corona, California 92878, in the amount of \$769,769 for the construction of Harbor Boulevard Improvements.

ANALYSIS:

To date, the contractor has completed the construction of new curb & gutter, sidewalk, driveways and traffic signals. The street lights have been relocated to their ultimate location.

During construction, the roadway grades had to be revised to match the existing field conditions. Change Order No. 1 (Attachment No. 3), in the amount of \$3,510.99, was issued to the contractor to cover the cost of this additional work

Change Order No. 2 (Attachment No. 4), in the amount of \$49,850, addressed utility conflicts encountered during the widening of the roadway and the construction of the traffic signal foundations.

Pursuant to Council Policy No. 700-1, the Chief Executive Officer (CEO) approval is required for contract change orders up to \$50,000, or 5% of the original contract price, whichever is greater. Therefore, Change Order No. 2 is being processed for CEO's approval. City Council Policy No.

700-1 also restricts the total Change Orders approved by the CEO to 10% of the original contract amount.

Due to changes requested by Southern California Edison (SCE) to the scope of the work for the electrical conduits for street lighting, the contractor is submitting a claim for the following extra work to be performed in the amount of \$55,812.65:

- Removal of electrical facilities servicing the existing street lights
- Construction of new street lighting conduit in lieu of utilizing the existing system
- Revisions to the point of connection to SCE facilities

In addition, in the immediate vicinity of the Harbor Boulevard Widening project, City staff has been monitoring a section of South Coast Drive, east of Harbor Boulevard, which has experienced settlement due to underground water migration and unstable subgrade soils. Within the past three months, this condition has led to major settlements within the roadway. In order to provide a safe travel lane, a portion of South Coast Drive, east of Harbor Boulevard must be milled and repaved with new asphalt. Since All American Asphalt is working in the immediate vicinity, staff successfully negotiated to have the extra work performed by All American Asphalt at the existing competitive contract unit prices. A price comparison with other contractors indicate that this will result in the work being performed more cost effectively than if we were to issue a separate contract. The additional cost to repair the roadway settlement along South Coast Drive is estimated at \$25,000.

The total additional cost, excluding Change Order Nos. 1 and 2, adds up to a total of \$80,812.65 or 10.5% of the original contract. Therefore, approval of Change Order No. 3 (Attachment 1) by the City Council is being requested in accordance with Council Policy No. 700-1.

If approved, the total for Change Orders Nos. 1, 2 and 3 will increase the original contract amount to \$903,942.64 or 17.4% of the original contract price.

ALTERNATIVES CONSIDERED:

No alternatives are being considered for this item.

FISCAL REVIEW:

Funding for the Harbor Boulevard widening project is available from the OCTA Measure M2 grant, Air Quality Management District (AQMD) funds and Traffic Impact Fees. The attached budget adjustment (BA No. 16-008) appropriates \$30,000.00 from Traffic Impact Fee Funds towards the requested contract change order. Funding for the emergency repairs to the roadway on South Coast Drive, east of Harbor Boulevard is available from Gas Tax Funds. The balance of this contract change order will be covered with appropriated grant funds.

LEGAL REVIEW:

There is no legal review required for this item.

CONCLUSION:

Unforeseen conditions during the construction of the Harbor Boulevard Improvements project resulted in extra work beyond the original contract scope of work. In addition, an emergency pavement repair is required on South Coast Drive east of Harbor Boulevard, near the IKEA store to prevent a potential sink hole within the roadway.

To date, per City Council Policy No. 700-1, the Public Services Director has approved Change Order No. 1 in the amount of \$3,510.99 and Change Order No. 2, in the amount of \$49,850 is being processed for CEO's approval.

However, additional funding for unanticipated extra work for this contract is required to complete this project. Therefore, staff is recommending that the City Council approve Change Order No. 3 in the amount of \$80,812.65; Budget Adjustment Authorization No. 16-008 for \$30,000.00, and authorize the Chief Executive Officer to execute the contract change order.

ERNESTO MUNOZ
Public Services Director

FARIBA FAZELI
City Engineer

- ATTACHMENTS:
1. [Change Order No. 3 - \\$ 80,812.65](#)
 2. [BA No. 16-008 for \\$30,000.00](#)
 3. [Change Order No. 1 - \\$ 3,510.99](#)
 4. [Change Order No. 2 - \\$ 49,850.00](#)

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