

**REPORT TO MAYOR AND COUNCIL****TO THE HONORABLE MAYOR AND CITY COUNCIL:**

DATE: October 13, 2015

SUBJECT: APPROVE A CONTRACT CHANGE ORDER AND RELATED BUDGET TRANSFER IN THE AMOUNT OF \$31,000; ACCEPT THE IMPROVEMENTS FOR CONCORD BOULEVARD PG&E UTILITY RELOCATION AND PAVING REHABILITATION, PROJECT NO. 2296, CONSTRUCTED BY BAY CITIES PAVING AND GRADING, INC. OF CONCORD; AND DIRECT THE CITY CLERK TO FILE A NOTICE OF COMPLETION (FUNDED BY: OSIP, MEASURE J AND CALTRANS GRANT FUNDS)

Report in Brief

A construction contract in the amount of \$165,668.92 was awarded to Bay Cities Paving and Grading, Inc. (Bay Cities) of Concord on November 18, 2014 for Concord Blvd. PG&E Utility Relocation and Paving Rehabilitation (Project No. 2296) from Sixth Street to Farm Bureau Road. Approval of a final contract change order (#2) in the amount of \$25,449.46 is necessary to cover costs associated with unforeseen site conditions during excavation, as well as for the balancing of bid item quantities to correspond with actual amounts installed during construction. Staff also requests approval of an associated budget transfer in the amount of \$31,000 to cover these costs. The additional \$5,550 is to cover additional material testing costs and administrative costs incurred by the City. Bay Cities has completed all work on the Concord Blvd. PG&E Utility Pole Relocation and Paving Rehabilitation, Project No. 2296, and has provided the required warranty.

Staff recommends the City Council approve the final contract change order and associated budget transfer in the amount of \$31,000; accept the improvements for the Concord Blvd. PG&E Utility Pole Relocation and Paving Rehabilitation, Project No. 2296; and direct the City Clerk to file a Notice of Completion.

Background

Concord Boulevard PG&E Utility Pole Relocation and Paving Rehabilitation, Project No. 2296, is the third of three projects to complete the widening and repaving of Concord Boulevard between Sixth Street and Farm Bureau Road.

The first Concord Boulevard project in this area, entitled Concord Boulevard Gap Closure – Phase II, Project No. 2052 (Sixth Street to Farm Bureau Road), constructed curb, gutter and sidewalk from Sixth Street to Farm Bureau Road, and was accepted in March 2012. This project was to include the pavement widening on the south side of the street to the newly installed sidewalk, but this work was omitted as PG&E had not relocated the utility poles from this paving area.

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The second Concord Boulevard Project in this area, entitled Concord Boulevard Pavement Rehabilitation – Sixth Street to Bailey Road, Project 2188, repaved the roadway from Sixth Street to Bailey Road and was accepted by the City in 2013. This project, in addition to the resurfacing of the existing roadway, was also to include the paving of the widening area initially planned under the preceding project. Again, this work was not possible as PG&E had still not relocated the utility poles.

This project, Concord Boulevard PG&E Utility Relocation and Paving Rehabilitation (Project 2296) was approved by Council with the FY2013-14 Mid-Year Budget Review, to complete the work remaining from the original Concord Boulevard Gap Closure – Phase II, Project No. 2052. This final phase of the paving work on Concord Boulevard was mainly funded with Congestion Management Air Quality grant funding, administered by Caltrans. The scope of this project included completion of the shoulder and parking lane paving between Sixth Street and Farm Bureau Road (Attachment 1), as well as the installation of striping to complete the Class II bike lanes within the project limits. PG&E completed their utility pole relocation activities by late November 2014, which allowed for the construction of this project.

This project had one previous contract change order (#1) in the amount of \$54,183.25, related to the testing and removal of contaminated soil which was encountered at the site during roadway excavation. An associated budget transfer was approved by Council with the FY2014-15 mid-year budget review to cover the costs and a change order was issued in February 2015.

Discussion

Approval of Contract Change Order (#2)

During excavation a traffic signal interconnect conduit was encountered at the edge of the paving section which required widening of the paving area and concrete encasement of the line. Additionally, utility pole remnants were removed, a utility box was installed to contain an unidentified utility valve and “geosynthetic fabric” was used to provide additional structural integrity to the paving area due to the high moisture content of the underlying material. A final contract change order in the amount of \$25,449.46 is needed to cover these items as well as for the balancing of bid item quantities to correspond with actual amounts installed. This change order will bring the total construction contract to \$245,301.63. Additional costs in the amount of \$5550 associated with additional material testing and project administration were also incurred by the City.

Approval of Budget Transfer

A budget transfer in the amount of \$31,000 is needed to fund this final contract change order (#2), additional material testing services, inspection and administrative costs. There are sufficient funds in the Measure J 28a Fund Balance to cover this budget transfer.

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Acceptance of Project Improvements

Bay Cities completed all work on the Concord Boulevard PG&E Utility Relocation and Paving Rehabilitation, Project No. 2296, in May of 2015. Staff has inspected the work for compliance with the project plans and specifications and Bay Cities has provided the required 10 percent warranty bond, which guarantees the work from defects for one year.

Fiscal Impact

The construction contract was completed in the total amount of \$245,301.63, and included two change orders totaling \$79,632.71 (or 48% of the total project). The amount of Change Orders is considered high compared to normal construction contract of this nature. As described above, the increase in costs were primarily due to encountered subsurface physical conditions differing materially from those ordinarily encountered at the site and the expanded excavation and paving area. There are sufficient funds in the Measure J 28a Fund Balance (Fund 485) account to cover this budget transfer.

Public Contact

The City Council agenda was posted.

Recommendation for Action

Staff recommends the City Council approve the final contract change order and associated budget transfer in the amount of \$31,000; accept the improvements for the Concord Blvd. PG&E Utility Pole Relocation and Paving Rehabilitation, Project No. 2296; and direct the City Clerk to file a Notice of Completion.

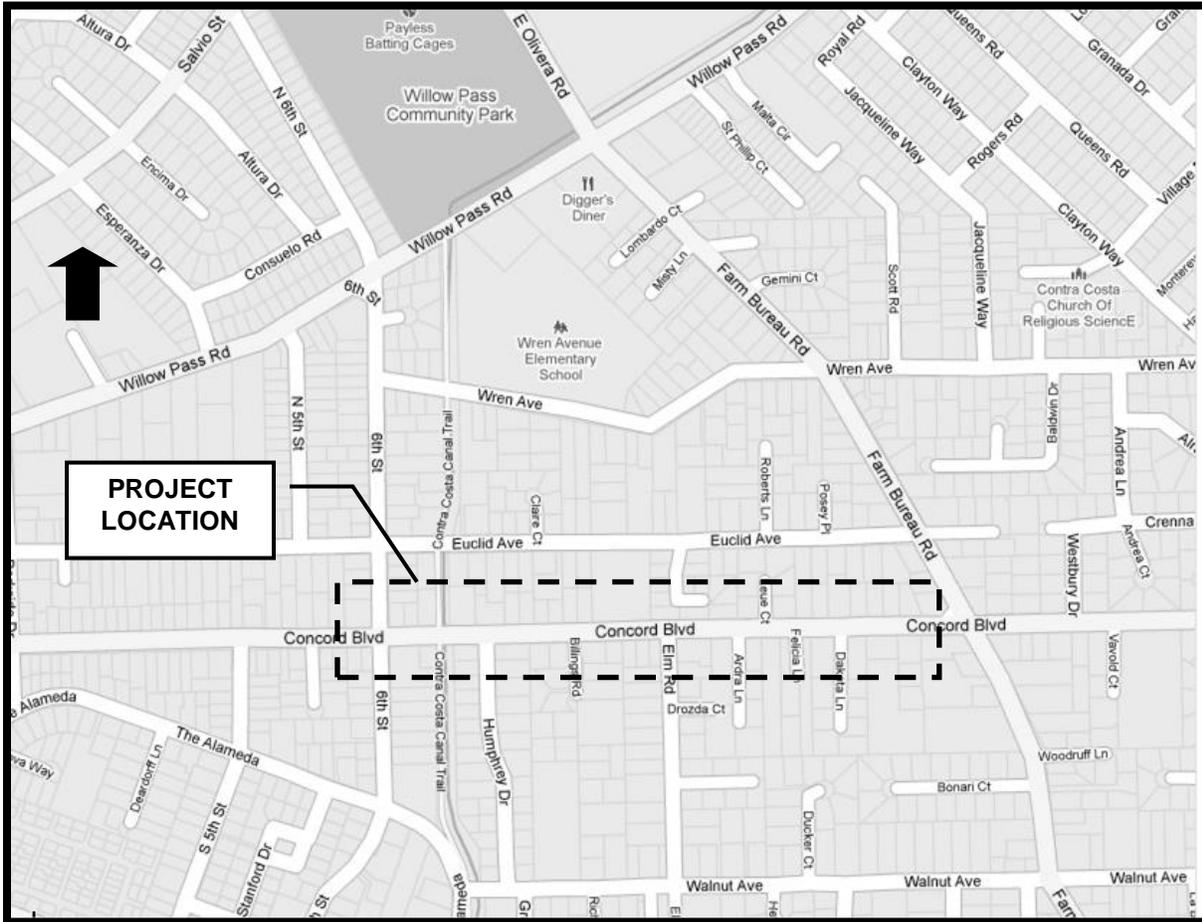
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LOCATION MAP

PROJECT NO. 2296

CONCORD BOULEVARD PAVING AND STRIPING
(FROM SIXTH STREET TO FARM BUREAU ROAD)

NO SCALE