

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Public Works

BOARD AGENDA #: *C-1

AGENDA DATE: May 3, 2016

SUBJECT:

Approval of Contract Change Order #17 and the Increase of the Construction Contract with George Reed, Inc. for the Crows Landing Road at West Main Intersection Upgrade Project

BOARD ACTION AS FOLLOWS:

No.

2016-221

On motion of Supervisor O'Brien, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST: 
ELIZABETH A. KING, Clerk of the Board of Supervisors

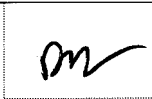
File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Public Works

Urgent

Routine



BOARD AGENDA #: _____ *C-1

AGENDA DATE: May 3, 2016

CEO CONCURRENCE: _____

4/5 Vote Required: Yes No

SUBJECT:

Approval of Contract Change Order #17 and the Increase of the Construction Contract with George Reed, Inc. for the Crows Landing Road at West Main Intersection Upgrade Project

STAFF RECOMMENDATIONS:

1. Approve contract change order #17 in the amount of \$51,394.35 for additional pavement reconstruction and increase the construction contract with George Reed, Inc. for the Crows Landing Road at West Main Street Intersection Upgrade Project.
2. Direct the Auditor-Controller to make the necessary budget adjustments per the financial transaction sheet.

DISCUSSION:

The purpose of the Crows Landing Road at West Main Street Intersection Upgrade Project is to improve safety and air quality at the intersection in an effort to maximize traffic flow.

The scope of the project includes, but is not limited to:

- Construction of traffic signals at the intersection of Crows Landing Road and West Main Street;
- Widening the individual legs of the intersection in all directions by installing dedicated left turn lanes to improve traffic flow through the intersection;
- Provide adequate storm drain runoff control;
- Reconstruct existing pavement, at and in the vicinity of the intersection, with a brand new pavement section; and,
- Replace obsolete existing storm drain pump station with a new pump station capable of integrating with existing County Supervisory Control and Data Acquisition system.

The posted engineer's estimate for the project was \$4,165,245 (which included construction engineering, material testing and contingency). The actual construction phase budget approved for the project was \$3,636,739.87. The lowest bid was 10% below the engineers estimate.

Approval of Contract Change Order #17 and the Increase of the Construction Contract with George Reed, Inc. for the Crows Landing Road at West Main Intersection Upgrade Project

On June 2, 2015, the Board of Supervisors awarded the construction contract to George Reed, Inc., of Modesto, California. Construction on the project began on Monday, June 15, 2015 and has now been completed.

It is typical to experience some extra costs when performing this type of road reconstruction, excavation, piping, and mechanical work. Unforeseen additional costs are generally covered within the allowed 10% contingency.

The initial design called out to preserve a large area of existing pavement on the western leg of the intersection, along West Main Street. This area would be the future eastbound travel lanes. The pavement to remain was approximately 310 feet in length and approximately 23 feet wide. Contract Change order #17 is required because during the grading and paving phase of the project, it was discovered that the existing pavement section was very thin and structurally inadequate for the traffic typical of West Main Street. Therefore, the pavement required reconstruction. These conditions could not have been reasonably foreseen at the time of the contract award. The contractors grading crew and equipment were on site working adjacent to the location in question and the County's construction management staff gave the contractor direction to proceed with the additional roadway construction so the project would proceed safely and without delay. This resulted in a net cost increase of \$51,394.35 over the amount originally budgeted for the construction of this project.

Public Works staff recommends the approval of contract change order #17 and the increase of the construction contract with George Reed, Inc, which will ensure the proper payment for work completed and timely closeout of this project.

POLICY ISSUE:

The Board previously authorized Public Works to approve project change orders in accordance with Public Contracts Code sections 20137 and 20142. The amount of the change order for this project exceeds the statutory authorization provided under these sections, and; therefore, these changes should be approved by the Board of Supervisors. Normally, under Public Contracts Code section 20137(b), changes in the project that exceed ten percent (10%) of the contract price require competitive bidding. However, in this case, grounds exist for an exception under Graydon v. Pasadena Redevelopment Agency (1980) 104 Cal.App.3d 631, which states that the Board may approve changes or additional work in excess of 10%, without rebidding the project, if the Board finds that a competitive bid for the additional work would not produce an advantage to the County and the public, and that advertisement for competitive bid would thus be undesirable, impractical or impossible. These factors exist for the following reasons:

1. It would have been impractical and undesirable to stop the project while underway, in order to bid out the extra work while the County's contractor was mobilized on site, ready, and qualified to perform the work.
2. It would not have been advisable to leave incomplete work and potentially unsafe conditions, adjacent to active travel lanes.

Approval of Contract Change Order #17 and the Increase of the Construction Contract with George Reed, Inc. for the Crows Landing Road at West Main Intersection Upgrade Project

3. This was a relatively small amount of work that needed to be completed as the project progressed. Stopping the work to bid this portion out would have cost the County more than it potentially could have saved with competitive bidding. It was much more advantageous to the project budget and schedule to have the extra work performed as it was discovered and completed expeditiously.
4. The County likely would not have received a lower price by bidding out the extra work.
5. Competitive bidding requires award to lowest responsible bidder. This could result in multiple contractors working on the same project at the same time, which would cause conflicts and difficulty apportioning responsibility for contract issues; such as liability, completion dates and performance.

FISCAL IMPACT:

This project is financed by Regional Transportation Impact Fees. The original costs associated to assure the delivery of this project were originally approved in the amount of \$3,636,739.87, (\$3,101,187.15 for the contract; \$220,434.00 for quality assurance, inspection, materials testing, and contract administration; \$5,000.00 for County administrative support services; and \$310,118.72 for construction contingencies). Due to the unforeseen pavement conditions discovered during construction, an additional cost of \$51,394.35 was incurred to complete the project. Therefore, this additional amount of funds are required to cover all costs to date and to close out the project. Funding is available in the Fiscal Year 2015-2016 Public Works' Road Projects budget.

Cost of recommended action:		\$ 51,394.35
Source(s) of Funding:		
Regional Transportation Impact Fees (RTIF)	\$ 51,394.35	
Funding Total:		51,394.35
Net Cost to County General Fund		\$ -

Fiscal Year:	2015/2016
Budget Adjustment/Appropriations needed:	Yes

Fund Balance as of 2/29/2016	
Regional Transportation Impact Fees	\$18,000,000

BOARD OF SUPERVISORS' PRIORITY:

The recommended action is consistent with the Board's priorities of providing A Safe Community, A Healthy Community, and A Well Planned Infrastructure System by maximizing traffic flow at this intersection to improve safety and air quality.

STAFFING IMPACT:

Existing staff is providing oversight for this project.

Approval of Contract Change Order #17 and the Increase of the Construction Contract with George Reed, Inc. for the Crows Landing Road at West Main Intersection Upgrade Project

CONTACT PERSON:

Matt Machado, Public Works Director

Telephone: (209) 525-4153

ATTACHMENT(S):

1. Contract Change Order #17
2. Budget Journal Voucher

ATTACHMENT 1
CONTRACT CHANGE ORDER #17

STANISLAUS COUNTY PUBLIC WORKS DEPARTMENT
CONTRACT CHANGE ORDER

CM-49005C (REV 07/2008) CT# 7541 3501 0

Sheet 1 of 1
 Change Requested by: engineer contractor

COO NUMBER 17	SUPL NUMBER n/a	CONTRACT NUMBER 9729	ROAD Crows Landing - W Main	FEDERAL NUMBER
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TO George Reed, Inc c/o Matt Cavallaro contractor

You are directed to make the following changes from the plans and specifications or do the following described work not included in the plans and specifications for this contract. **NOTE: This change order is not effective until approved by the engineer.**

Description of work to be done, estimate of quantities and prices to be paid. (Aggregate bid items additional work at contract price, agreed price and force account.) Unless otherwise stated, rates for rental of equipment cover only such time as equipment is actually used and no allowance will be made for idle time. The last percentage shown is the net accumulated increase or decrease from the original quantity in the original estimate.

Extra Work per Agreed Upon Lump Sum (LS) Final Compensation:

Provide additional compensation of work to the contractor for requested revision in plan as reviewed with the Project Engineer and County personnel. Said modifications were completed at the southwest corner of the intersection along West Main Street inclusive of additional shoulder grinding, AB fill, earthwork-grading and asphalt plugging of the paved southwesterly shoulder area adjacent the elementary school to match the design of the contract plans. The below represents the aggregate agreed upon lump sum cost per the submitted and accepted costs as provided by the contractor via daily extra work reports and as reviewed and vetted by the Engineer to provide the modifications to the shoulder areas and as reviewed by the Engineer and as requested.

Compensation to GRI to provide pavement modifications in regards to the planned work scope at the southwest corner of the intersection along West Main Street. (see attached GRI DEWRs)

Agreed Upon Lump Sum Cost: \$ 51,394.35

For this extra work aggregate cost, the contractor agrees to accept the paving adjustments and extra work as submitted via this change order and as shown for the adjusted portions of work in consideration of the planned project improvement items of work. All extra work under this change order shall fully comply with the contract documents and Sections 4-1.03, 9-1.04 and 9-1.03 of the Standard Specifications with no additional compensation made therefore.

Estimated Cost Decrease Increase \$51,394.35

By reason of this order the time of completion will be adjusted as follows: 4

SUBMITTED BY		
SIGNATURE 	(PRINT NAME & TITLE) James M. Schaaf c/o Stanislaus County	DATE 2-25-16
APPROVAL RECOMMENDED BY		
SIGNATURE 	(PRINT NAME & TITLE) Mark Hamblin Assoc. Civil Eng	DATE 3/4/16
ENGINEER APPROVAL BY		
SIGNATURE 	(PRINT NAME & TITLE) Matt Machado, Director	DATE 3/7/16

We the undersigned contractor, have given careful consideration to the change proposed and agree, if this proposal is approved, that we will provide all equipment, furnish the materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the prices shown above. **NOTE: If you, the contractor, do not sign acceptance of this order, your attention is directed to the requirements of the specification as to proceeding with the ordered work and filing a written protest within the time therein specified.**

CONTRACTOR ACCEPTANCE BY		
SIGNATURE 	(PRINT NAME & TITLE) Ed Berlier, Vice President	DATE 3-2-16

ATTACHMENT 2
BUDGET JOURNAL VOUCHER

