



City Council Staff Report

Date: March 17, 2010 UNFINISHED BUSINESS

Subject: APPROVAL OF CONTRACT CHANGE ORDER NO. 1 TO THE
2008/2009 & 2009/2010 ANNUAL ASPHALT OVERLAY, CITY PROJECT
08-28

From: David H. Ready, City Manager

Initiated by: Public Works and Engineering Department

SUMMARY

On March 3, 2010, the City Council awarded a construction contract to Hardy & Harper, Inc., for the 2008/2009 & 2009/2010 Annual Overlay Project. The low bid of \$1,234,000 was significantly less than the estimate of \$1,800,000 giving the City Council the opportunity to consider adding streets for an asphalt overlay to this project. Staff has recommended certain streets to be added, and has prepared a Contract Change Order for approval.

RECOMMENDATION:

- 1) Consider and approve additional streets to be added to the 2008/2009 & 2009/2010 Annual Overlay, City Project 08-28; and
- 2) Approve Contract Change Order No. 1 to Agreement No. 5943 with Hardy & Harper, Inc. in an amount not to exceed \$550,000 for the 2008/2009 & 2009/2010 Annual Overlay, City Project 08-28; and
- 3) Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

The Public Works Department oversees the maintenance of the City's street system. Each year, the Department assembles a capital project to continue its asphalt overlay program on various City streets as needed. The 2008/2009 overlay program includes the following arterial streets:

- Indian Canyon Drive (between San Rafael Drive and Vista Chino)
- Racquet Club Road (between N. Palm Canyon Dr. and Avenida Caballeros)

Item No. **4.A.**

- Baristo Road (just east of Farrell Drive adjacent to the AAA building)

Overlay of these streets is being funded through the Proposition 1B Local Streets and Roads Funding Program through the state.

The 2009/2010 annual overlay program includes an overlay of the following arterial street:

- N. Indian Canyon Dr. (19th Avenue to 20th Avenue – west half)

The 2009/2010 annual overlay program also includes an overlay of the worst local residential streets within the Sunmor neighborhood located immediately west of City Hall, and the residential area located between Amado Road and Tahquitz Canyon Way, from Sunrise Way to Sunset Way.

Also included is Paseo El Mirador, from Avenida Caballeros to Paseo De Anza in the El Mirador neighborhood; and an overlay of Hermosa Drive between Mesquite Avenue and S. Riverside Dr. in the Tahquitz River Estates neighborhood, both of which are in poor condition. The City receives frequent calls from residents requesting repair of these streets, and prior asphalt overlay projects lacked sufficient funds to continue the overlay of Paseo El Mirador, or to include Hermosa Drive.

The engineer's estimate of \$1,800,000 was based on the bid prices from last year's asphalt overlay project. The low bid of \$1,234,000 is significantly lower than the estimate, reflecting a continued competitive bidding environment for publicly bid construction projects. The City has approximately \$1,900,000 currently budgeted for this project, originally allowing \$100,000 for construction administration/inspection and materials testing costs. Given the awarded contract amount of \$1,234,000 and maintaining a budget of \$100,000 for construction administration/inspection and materials testing costs leaves approximately \$550,000 remaining to be used for this year's asphalt overlay project.

Previously, the City has included streets within the Las Palmas and Movie Colony neighborhoods in its overlay projects. A few selected streets (Sonora Drive and Camino Real) have also been included in an overlay project in the Tahquitz River Estates neighborhood in the past. These neighborhoods have streets with a pavement condition ranked among the worst throughout the City, and staff is recommending that the City Council consider adding selected streets with the worst pavement condition within the Las Palmas, Movie Colony, Tahquitz River Estates and Deepwell neighborhoods, as well as a few arterial streets as indicated below, to this year's overlay project.

The specific streets that staff is recommending the City Council consider adding to this year's asphalt overlay project are:

- Calle El Segundo from Tahquitz Canyon Way to Amado Road – this arterial street within Section 14 is directly adjacent to the east side of the Hilton Hotel and Spa Casino. The condition of this street has quickly deteriorated over the last several years, and should be included as part of this overlay project.
- Avenida Caballeros from Tamarisk Road to Tachevah Drive – this arterial street adjacent to Ruth Hardy Park is significantly deteriorated and should be included as part of this overlay project.
- Avenida Palos Verdes from Via Eytel to Tamarisk Road, and Via Eytel from Avenida Palmas to Avenida Palos Verdes are two streets located in the Movie Colony neighborhood in Section 11, and have the worst rated pavement condition in that area and should be included as part of this overlay project.
- Merito Place from Mission Road to Patencio Road, Camino Del Corto from Verada Sur to Via Lola, Camino Centro from N. Via Las Palmas to S. Via Las Palmas, Via Las Palmas from Via Monte Vista to N/S Via Las Palmas, and Regal Drive from Rose Avenue to Via Monte Vista are five streets located in the Las Palmas neighborhood that have the worst rated pavement condition in that area and should be included as part of this overlay project.
- Palo Verde Avenue from S. Palm Canyon Dr. to Ocotillo Avenue and Ocotillo Avenue from S. Palm Canyon Dr. to Camino Real are two streets located in the Tahquitz River Estates neighborhood that have the worst rated pavement condition in that area and should be included as part of this overlay project.
- Palm Tree Drive from Sagebrush Road – north end to Sagebrush Road – south end is a street located in the Deepwell neighborhood and has one of the worst rated pavement conditions in that area and should be included as part of this overlay project.

Maps of the streets recommended by staff to be included in this year's asphalt overlay project are attached to this report. Staff recommends that the City Council consider and approve the streets identified above, and authorize staff to negotiate a contract change order with the contractor in an amount not to exceed \$550,000. A draft Contract Change Order No. 1 has been prepared and is attached to this report, and includes an estimated cost based on the awarded unit prices for adding the streets to this project as recommended by staff. However, it will be necessary for staff to negotiate with the contractor on some of the scope of work (additional mobilization, traffic control, and traffic striping) which can not be easily defined as they are lump sum items of work. The amounts listed in the draft Contract Change Order No. 1 are place holder amounts for discussion with the contractor, and will change depending upon the Council's final approval of the additional streets to be added to this project. As shown in the draft

Contract Change Order No. 1, the additional work is estimated at \$542,380, below the suggested maximum authorization amount of \$550,000.

FISCAL IMPACT:

Funding for this project is made available through Proposition 1B funds, Transportation Congestion Relief funds, and local Measure A funds in the following accounts: 133-4298-50225, 133-4298-50276, 134-4498-50225, and 134-4498-50278. Funding for the cost of the additional streets to be added to this year's asphalt overlay project is available in local Measure A account 134-4498-50225. No local miscellaneous General Funds are being used for this project.

SUBMITTED:

Prepared by:



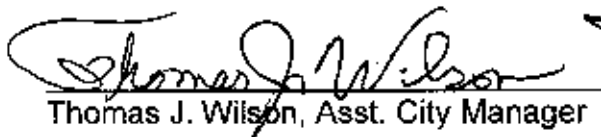
Marcus L. Fuller
Assistant Director of Public Works

Recommended by:

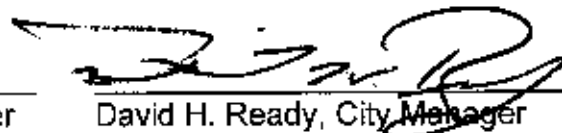


David J. Barakian
Director of Public Works/City Engineer

Approved by:



Thomas J. Wilson, Asst. City Manager

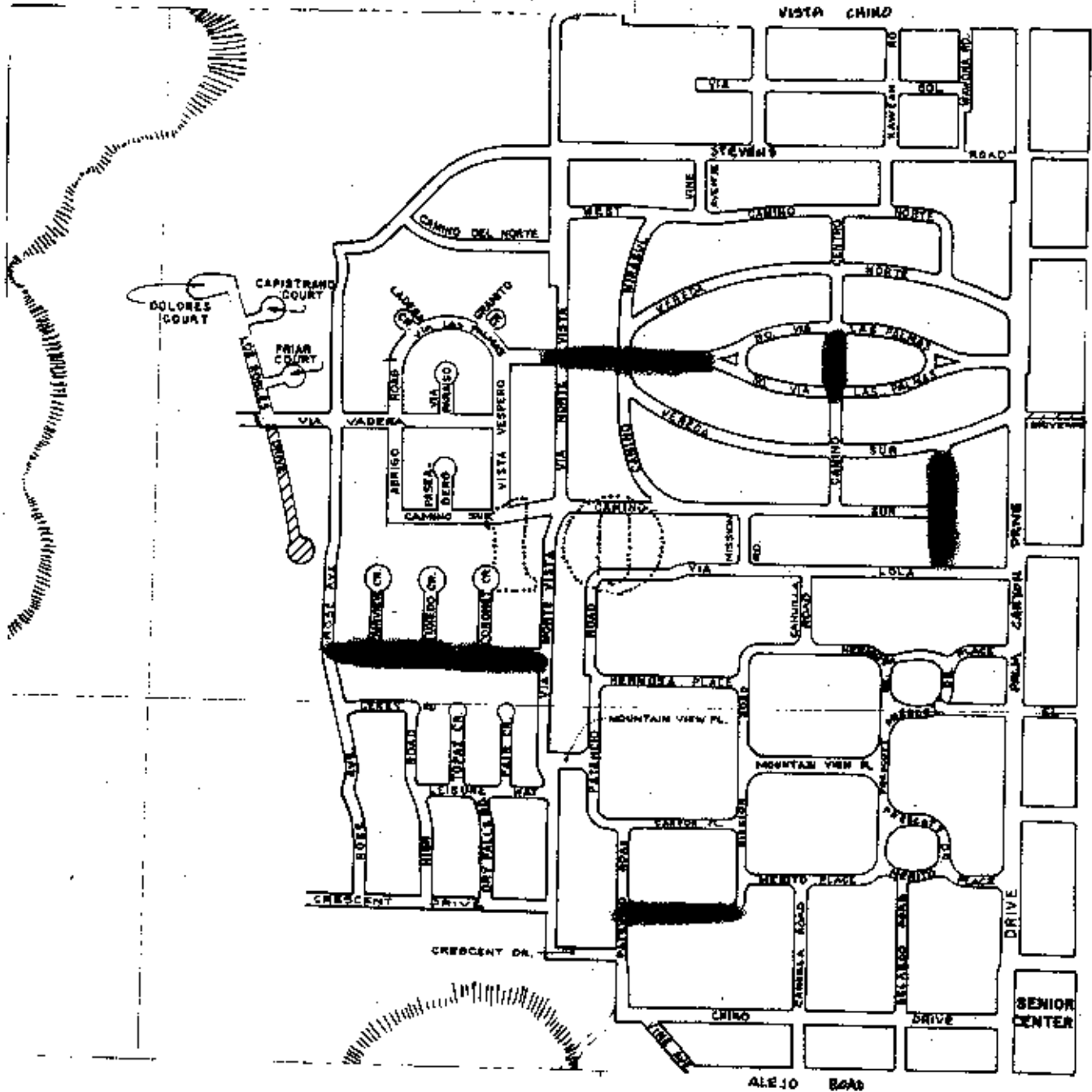


David H. Ready, City Manager

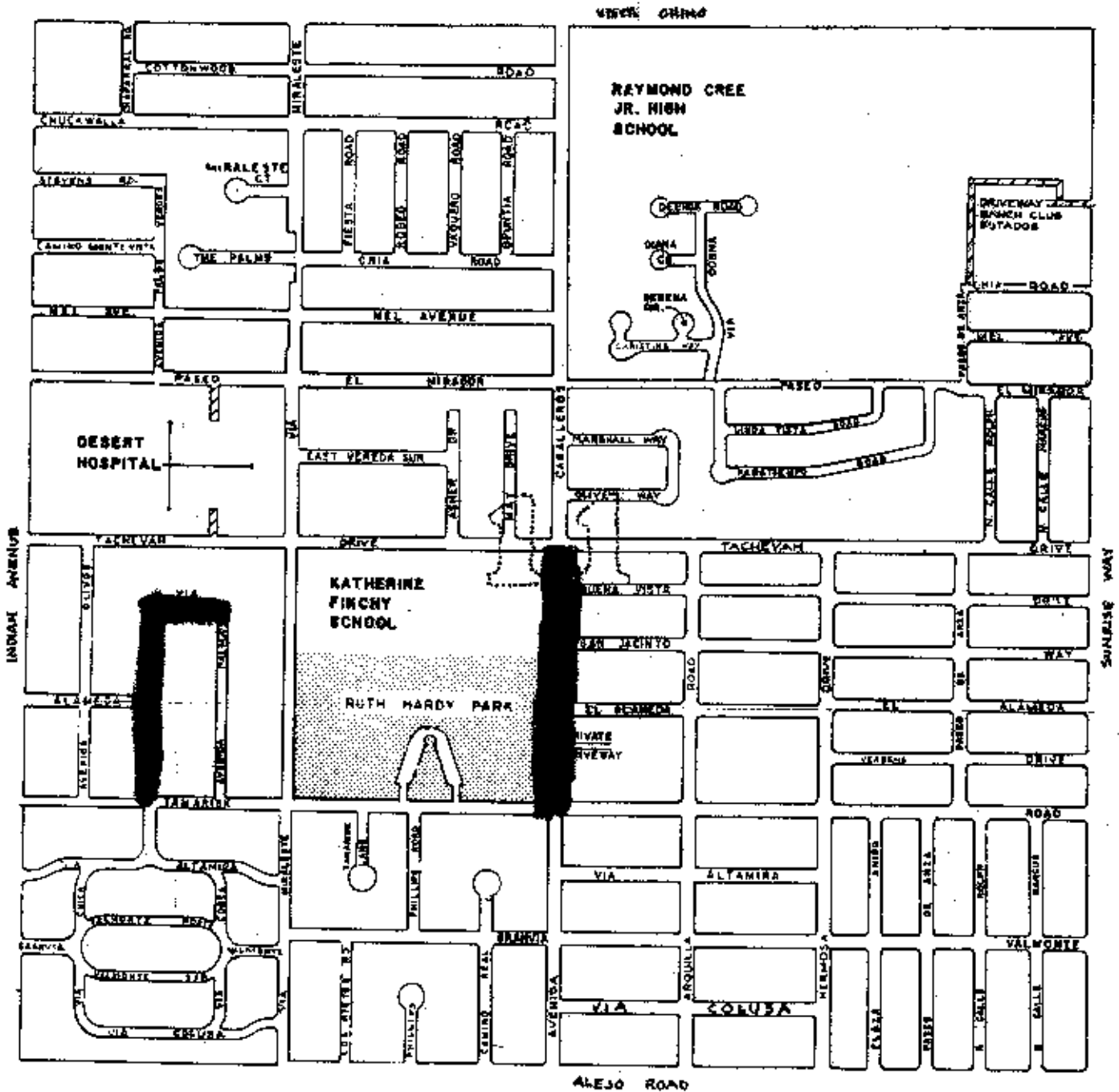
Attachments:

1. Street Listing and Maps
2. Draft Contract Change Order No. 1

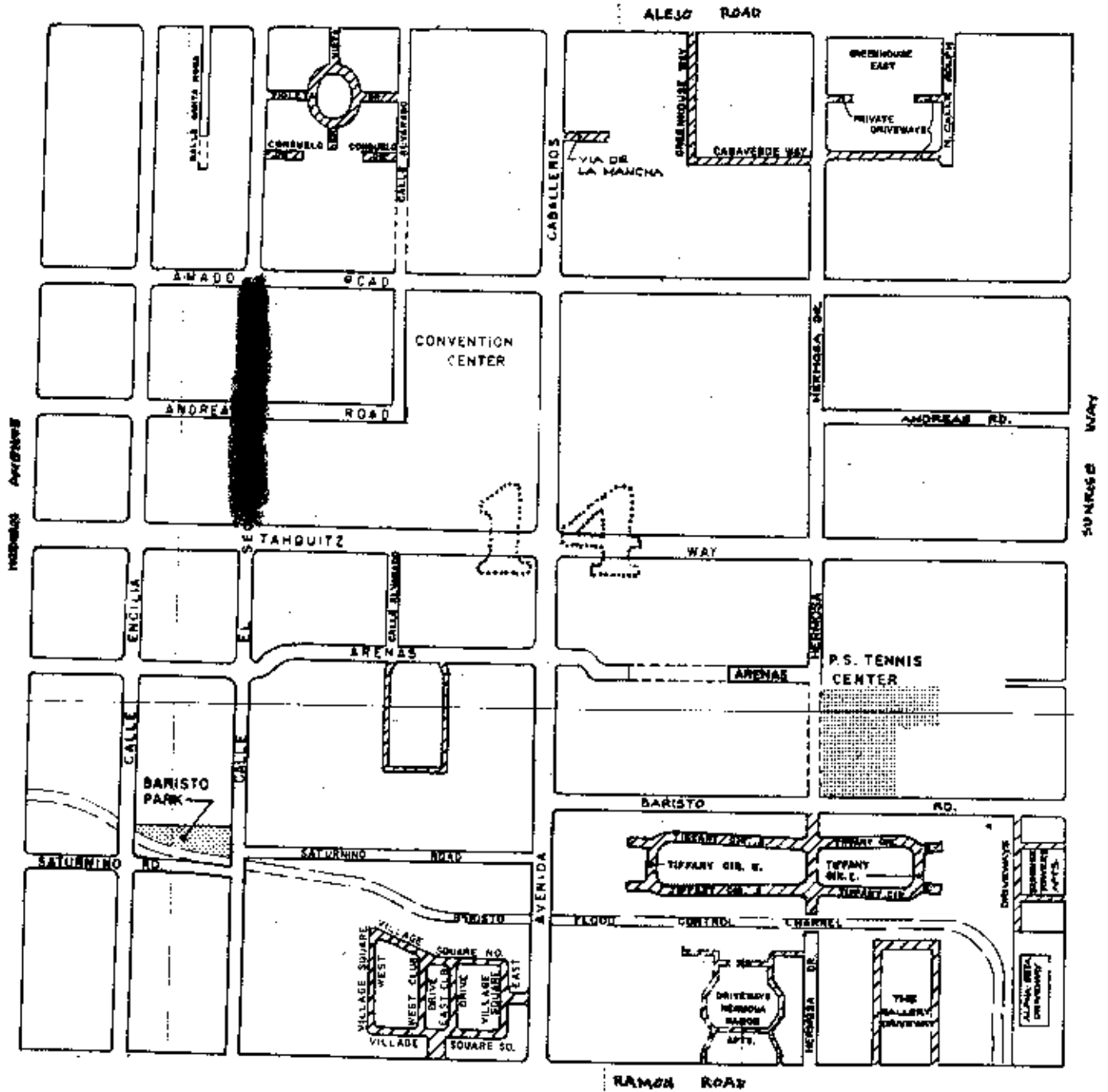
**SECTION 10
 LAS PALMAS NEIGHBORHOOD
 RECOMMENDED ADDITIONAL LOCAL STREETS
 2008/2009 & 2009/2010 ANNUAL ASPHALT OVERLAY**



**SECTION 11
 MOVIE COLONY NEIGHBORHOOD
 RECOMMENDED ADDITIONAL LOCAL STREETS
 2008/2009 & 2009/2010 ANNUAL ASPHALT OVERLAY**



**SECTION 14
DOWNTOWN
RECOMMENDED ADDITIONAL STREETS
2008/2009 & 2009/2010 ANNUAL ASPHALT OVERLAY**



**CITY OF PALM SPRINGS
CONTRACT CHANGE ORDER**

To: Hardy & Harper, Inc.
1312 E. Warner Ave.
Santa Ana, CA 92705
Tel: (714) 444-1851
Fax: (714) 444-2801

Date: March 17, 2010
Project No: 08-28
Project: 2008/2009 & 2009/2010 Overlay

Attn: Mike Amundson

Change Order No: 1
Purchase Order: Pending
Account: 134-4498-50225
Agreement No: 5943

CHANGES IN WORK:

The following streets are being added to the project:

- 1) Calle El Segundo (Tahquitz Canyon Way to Amado Road)
- 2) Avenida Caballeros (Tamarisk Road to Tachevah Drive)
- 3) Avenida Palos Verdes (Via Eytel to Tamarisk Road)
- 4) Via Eytel (Avenida Palmas to Avenida Palos Verdes)
- 5) Merito Place (Mission Road to Patencio Road)
- 6) Camino Del Corto (Verada Sur to Via Lola)
- 7) Camino Centro (N. Via Las Palmas to S. Via Las Palmas)
- 8) Via Las Palmas (Via Monte Vista to N/S Via Las Palmas)
- 9) Regal Drive (Rose Avenue to Via Monte Vista)
- 10) Palo Verde Avenue (S. Palm Canyon Dr. to Ocotillo Avenue)
- 11) Palm Tree Drive (Sagebrush Road – north end to Sagebrush Road – south end)
- 12) Ocotillo Avenue (S. Palm Canyon Dr. to Camino Real)

CHANGES IN COST:

Increase in Bid Item Quantity at Bid Item Price:

- Bid Item CCO#1 A: Mobilization – Lump Sum @ \$38,000
Bid Item CCO#1 B: Traffic Control – Lump Sum @ \$22,000
Bid Item CCO#1 C: Cold Mill Existing A.C. Pavement – 96,000 SF @ \$0.15 / SF = \$14,400
Bid Item CCO#1 D: Install Pavement Reinforcing Fabric – 450,000 SF @ \$0.26 / SF = \$117,000
Bid Item CCO#1 E: Construct 1½" A.C. Overlay – 450,000 SF @ \$0.66 / SF = \$297,000
Bid Item CCO#1 F: Adjust Sewer Manhole to Grade – 34 EA @ \$393 / EA = \$13,362
Bid Item CCO#1 G: Adjust Water Valve to Grade – 48 EA @ \$414 / EA = \$19,872
Bid Item CCO#1 H: Adjust Monument Frame & Collar to Grade – 2 EA @ \$373 / EA = \$746
Bid Item CCO#1 I: Traffic Striping and Markings – Lump Sum @ \$20,000

Total Change in Cost: \$542,380

SOURCE OF FUNDS:

Funds are available in the following account: 134-4498-50225

REASONS FOR CHANGE:

Additional streets being added to this project.

SUMMARY OF COSTS:

Original Contract Amount:	\$1,234,000.00	Original Completion	To be determined
This Change Order:	\$ 542,380.00	Days Added for this	~20~
Previous Change Order(s):	\$ 0.00	Previous Days Added:	~0~
Revised Contract Amount:	\$1,776,380.00	Revised Completion	To be determined

I have received a copy of this Change Order and the above AGREED PRICES are acceptable to Contractor

Contractor Approval:

_____	_____
Signature	Date

Printed Name and Title	

City Approval:

Submitted By:

_____	_____
Senior Public Works Inspector	Date

Approved By:

_____	_____
Director of Public Works/City Engineer	Date

Approved By:

_____	_____
City Manager	Date

Attest By:

_____	_____
City Clerk	Date

Distribution:

Original Conformed Copy:

Contractor (1)
 City Clerk (1)

Conformed - File Copy:

Engineering Pay File (1)
 Resident Engineer (1)
 Procurement (1)
 Finance (1)