



City Council Staff Report

Date: February 04, 2015 CONSENT CALENDAR

Subject: APPROVAL OF CONTRACT CHANGE ORDER NO. 1 IN THE AMOUNT OF \$33,992.65 WITH GOLDEN VALLEY CONSTRUCTION FOR THE CITY HALL AND POLICE STATION PARKING LOTS REHABILITATION, CITY PROJECTS NO. 01-17 AND 13-34

From: David H. Ready, City Manager

Initiated by: Public Works and Engineering Department

SUMMARY

Approval of Contract Change Order No. 1 revises the scope of work for the repaving of the Police Department parking lots due to the deficient condition of the existing asphalt concrete pavement, for an additional cost of \$33,992.65.

RECOMMENDATION:

- 1) Approve Contract Change Order No. 1 to Agreement No. 6636 in the amount of \$33,992.65 with Golden Vista Construction, Inc., dba Golden Valley Construction for City Projects 01-17 & 13-34, City Hall and Police Station Parking Lots Rehabilitation; and
- 2) Approve construction contract change orders up to a cumulative amount of 10% of the contract amount (\$92,748); and
- 3) Authorize the City Manager to execute all necessary documents.

BACKGROUND:

On December 3, 2014, the City Council awarded a construction contract to Golden Valley Construction in the amount of \$927,481.65 for the City Hall and Police Station Parking Lots Rehabilitation, City Projects No. 01-17 and 13-34, (the "Project"). A pre-construction conference was held on January 7, 2015, and construction began on January 20, 2015.

Construction was initiated at the Police Station parking lots, and the original scope of work included a 1.5" grind and overlay of the existing asphalt concrete pavement.

Item No. 2.J.

Immediately upon grinding the existing asphalt pavement, staff observed that the existing pavement conditions were worse than anticipated, and that the asphalt concrete pavement is only 2" thick, is severely cracked and unusually brittle. The grinding operation caused additional damage and broke up the entire thickness of the asphalt concrete pavement, and requires a revised scope of work to address the poor condition of the pavement. Staff reviewed alternatives with Golden Valley Construction, and agreed that the appropriate scope of work should remove the existing asphalt concrete pavement, pulverized in place, and remixed into the sub-grade to a depth of 6", re-graded and re-compacted and prepared for construction of a new 2.5" layer of asphalt concrete pavement.

As the Project was staged with the Police Station parking lot as the first order of work, staff authorized this change of the scope of work to minimize delay of the Project and maintain project schedule, subject to approval of a Contract Change Order by the City Council. Change Order No. 1 deletes the original 1.5" grind and overlay scope of work and replaces it with pulverization of the existing full depth asphalt concrete pavement, grading, export of excess materials, compaction of subgrade and placement of 2.5" of asphalt concrete pavement. The revised scope of work will provide a much improved finish product with a longer life cycle.

City Council Approval of Contingency Funds

Staff recommends that the City Council delegate authority to the City Manager to approve and execute construction contract change orders up to an additional amount of 10% of the contract amount equivalent to \$92,748. The Assistant City Manager/City Engineer will carefully evaluate any additional or extra work claims presented by Golden Valley Construction, and if valid, submit to the City Manager for his approval. In this way, work can proceed uninterrupted as the City Manager and Assistant City Manager/City Engineer administratively process construction contract change orders up to the authority specifically delegated herein by the City Council.

FISCAL IMPACT:

The original scope of work for the Police Station parking lot rehabilitation included 1.5" grind and overlay of the existing asphalt concrete pavement at a cost of \$2.80 per square foot – with a total of 51,681 square feet this original scope of work cost \$144,306.80. The revised scope of work includes pulverization of the existing asphalt concrete pavement and construction of 2.5" asphalt concrete pavement at a cost of \$3.45 per square foot for a total cost of \$178,299.45 – a difference of \$33,992.65 (or \$.65 per square foot).

The City Council previously budgeted \$886,000 from Fund 260 (Measure J Improvements) for the City Hall Parking Lot Rehabilitation, and \$300,000 from Fund 260 (Measure J Improvements) for the Police Station Parking Lot Rehabilitation. The Project's overall budget, and estimated expenditures, are identified in Table 1:

Table of Project Costs	Police Station Parking Lot (49448)	City Hall Parking Lot (49600)
Measure J Fund	\$300,000	\$886,000
Design Services	(\$50,790)	(\$49,930)
Project Administration (through 1/27/15)	(\$2,530)	(\$2,526)
Project Administration (Estimated)	(\$2,500)	(\$2,500)
Construction Contract	(\$172,642)	(\$754,840)
Change Order No. 1	(\$33,993)	(\$0)
Construction Contingency	(\$17,264)	(\$75,484)
Remaining Balance	\$20,281	\$720

Table 1

Funds to encumber for approval of Contract Change Order No. 1 in the amount of \$33,992.65 with Golden Valley Construction is available in Measure J account 260-4500-59448.

Sufficient funds remain available in the Measure J accounts 260-4500-59448 and 260-4500-59460 to facilitate the City Council's delegation of authority to the City Manager to approve and execute construction contract change orders up to an additional amount of \$92,748.

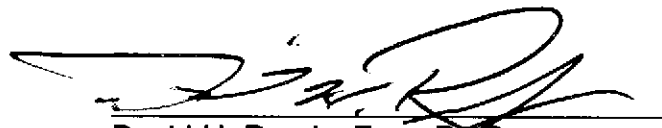
SUBMITTED

Prepared by:



 Marcus L. Fuller, MPA, P.E., P.L.S.
 Assistant City Manager/City Engineer

Approved by:



 David H. Ready, Esq., Ph.D.
 City Manager

Attachments:

1. Change Order No. 1

Attachment 1



CITY OF PALM SPRINGS CONTRACT CHANGE ORDER

To: Golden Valley Construction
2000 Executive Drive
Palm Springs, CA 92262
Tel: (760) 322-0010
Fax: (760) 322-0020

Date: January 27, 2015
Project No: 01-17 & 13-34
Project: City Hall and Police Department
Parking Lot Improvements
Change Order No: 01
Purchase Order: TBA
Account: 260-4500-59448

Attn: Bryan Willis

CHANGES IN WORK:

This Contract Change Order No. 3 accommodates additional work, generally identified as:

1. Delete Bid Schedule C item 13 at the Police Department Parking Lot. Replace with new item A.

Parking Lot and square footages:

Parking Lot	AC Paving	Area (SF)	Price/SF	Total
Bid Schedule C Item: 13	Grind & Overlay 1.5" AC	-51,681	\$2.80	-\$144,306.80
New Item: A	Pulverize/Grade/Pave 2.5" AC	51,681	\$3.45	\$178,299.45
			Total =	\$33,992.65

CHANGES IN COST:

New Item at Agreed Unit Price and Not-to-Exceed Price

- 1) City agrees to compensate Contractor for costs to add New Item A to pulverize, grade and pave. The costs for the new item shall be based on a unit price of \$3.45 per square foot. The total cost associated with this item of work shall not exceed \$33,992.65, inclusive of all mark-ups and profit.

CHANGES TO CONTRACT TIME:

No additional working days will be added for Contract Change Order No.1.

SOURCE OF FUNDS:

Funds are available in the following account(s): 260-4500-59448

REASONS FOR CHANGE:

Schedule C, Item 13: Existing asphalt concrete paving at the Police Department Parking lot was too thin and damaged to sustain surface grinding. For this reason the bid item for 1.5" grind and overlay is being deleted.

New Item A: Following an attempt to grind the existing asphalt concrete for overlay it was determined that an alternate scope of work would be necessary. This unit price item is for 6" depth pulverization of the existing parking lots (front lot and back lot), grading of pulverized materials to allow for a pavement depth of 2.5", export of excess soil and grindings as necessary to achieve pavement subgrade elevations (includes trucking/hauling/disposal), compaction of subgrade and placement of 2.5" of asphalt concrete.

All costs incurred to date including: attempts to perform surface grinding, canceled trucking (including 6 hour minimum), pre-grinding of back parking lot (including all labor and equipment utilized in preparation of grinding operation) and all mobilization costs for both front and back parking lots are inclusive in the unit pricing for New Item A and no separate payment will be made.

SUMMARY OF COSTS:

Original Contract Amount:	\$ 927,481.65	Original Completion	60 Working Days
This Change Order:	\$ 33,992.65	Days Added	0
Previous Change Order(s):	\$ 0.00	Previous Days Added:	0
Revised Contract Amount:	\$ 961,474.30	Revised Completion	60 Working Days

**** SIGNATURES ON NEXT PAGE ****

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

Tri-Star Contracting II, Inc.

	_____ Signature	_____ Date
	_____ Printed Name and Title	

City of Palm Springs

Recommended By:

	_____ Director of Public Works/City Engineer	_____ Date
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Approved By:

	_____ David H. Ready, City Manager	_____ Date
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Attest By:

	_____ Jay Thompson, City Clerk	_____ Date
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Distribution:

Original Conformed Copy:

Contractor (1)
City Clerk (1)

Conformed - File Copy:

Engineering Pay File (1)
City Project File (1)
Purchasing (1)
Finance (1)