



City Council Staff Report

DATE: March 2, 2016 CONSENT CALENDAR

SUBJECT: APPROVAL OF CONTRACT CHANGE ORDER NO. 1 IN THE AMOUNT OF \$135,398 WITH ATOM ENGINEERING CONSTRUCTION INC., FOR THE PALM SPRINGS ENTRY SIGNS, CITY PROJECT NO. 13-31

FROM: David H. Ready, City Manager

BY: Public Works & Engineering Department

SUMMARY

Award of a construction contract to Atom Engineering Construction, Inc., for the Palm Springs Entry Signs, City Project No. 13-31, excluded a fourth entry sign on Ramon Road given the high cost of that sign related to extending utility services to the sign location. Staff has identified utility services closer to the sign location which has allowed for a reduction in cost. Approval of Contract Change Order No. 1 in the amount of \$125,398 adds the Ramon Road entry sign to the scope of the awarded construction contract.

RECOMMENDATION:

1. Authorize an additional appropriation from Measure J Unscheduled Capital Projects in the amount of \$130,000 for the Palm Springs Entry Signs; and
2. Approve Contract Change Order No. 1 in the amount of \$135,398 with AToM Engineering Construction Inc., for a revised total contract amount of \$498,398 for the Palm Springs Entry Signs, City Project No. 13-31; and
3. Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

As part of the Fiscal Year 2013/2014 budget, the City Council appropriated \$150,000 from the Measure J Capital Improvement Fund (Fund 260) for the installation of two new "Palm Springs" entry way signs.

On March 6, 2013, the City retained Jeffrey Jurasky & Associates, Inc., ("JJA") through a Professional Service Agreement ("PSA") to develop designs for the two entry way

signs, identified as the Palm Springs Entry Signs, City Project No. 13-31, (the "Project"). The locations of these two entry way signs are on Ramon Road at San Luis Rey Drive and East Palm Canyon Drive at Gene Autry Trail for visitors coming into Palm Springs from Cathedral City. The scope of work is to install the signs in existing/proposed median islands within the roadway. Each sign consists of two independent aluminum bridges with the word PALM on one and SPRINGS on the other, three differently colored acrylic panels, vault for structural mountings, concrete foundations, and LED strip lighting. The installation includes modifying/new irrigation and planting as well as electrical services connections.

On September 17, 2014, the conceptual design for the two entry way signs was presented to the City Council, and received approval. A representation of the conceptual design for the entry way signs is shown in Figure 1:

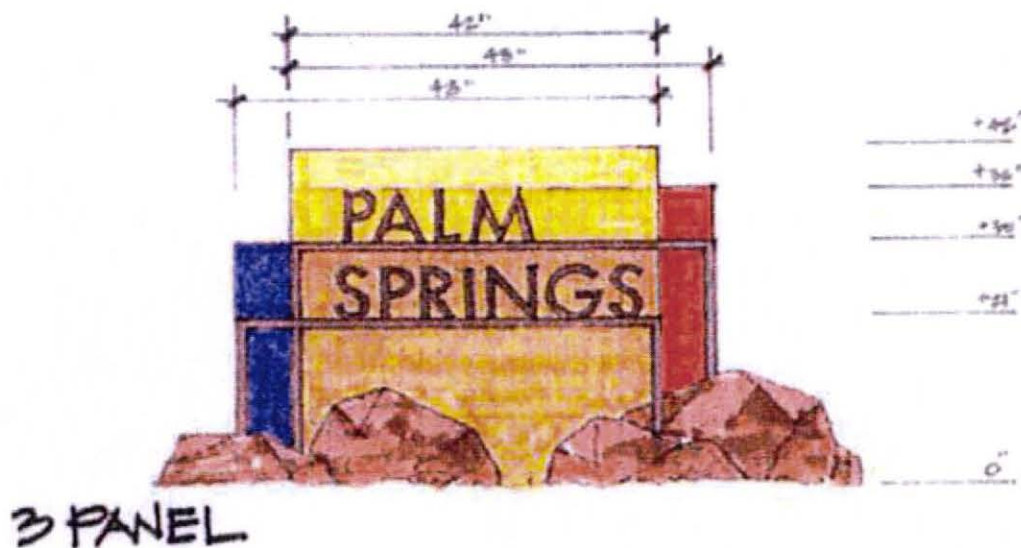
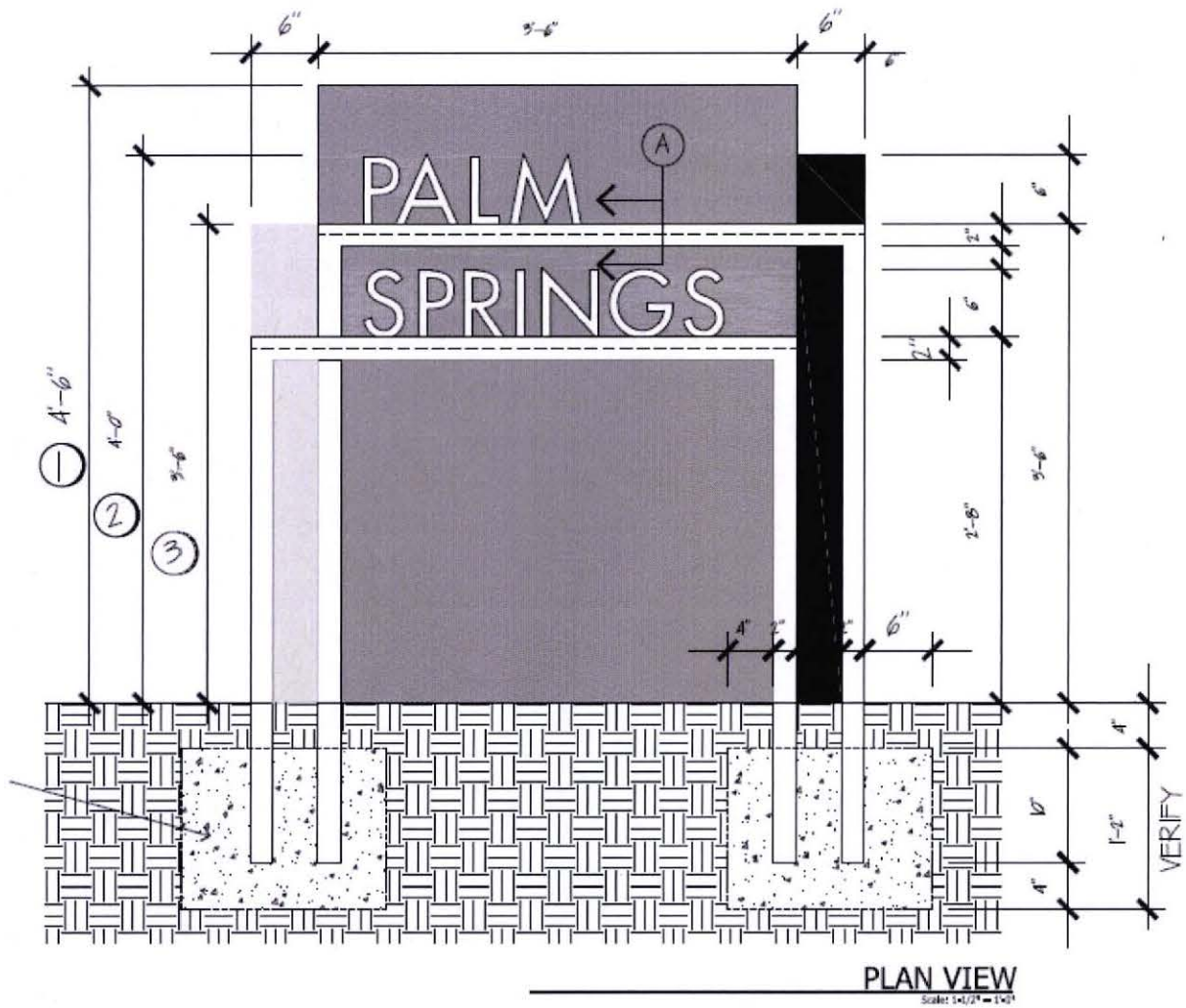
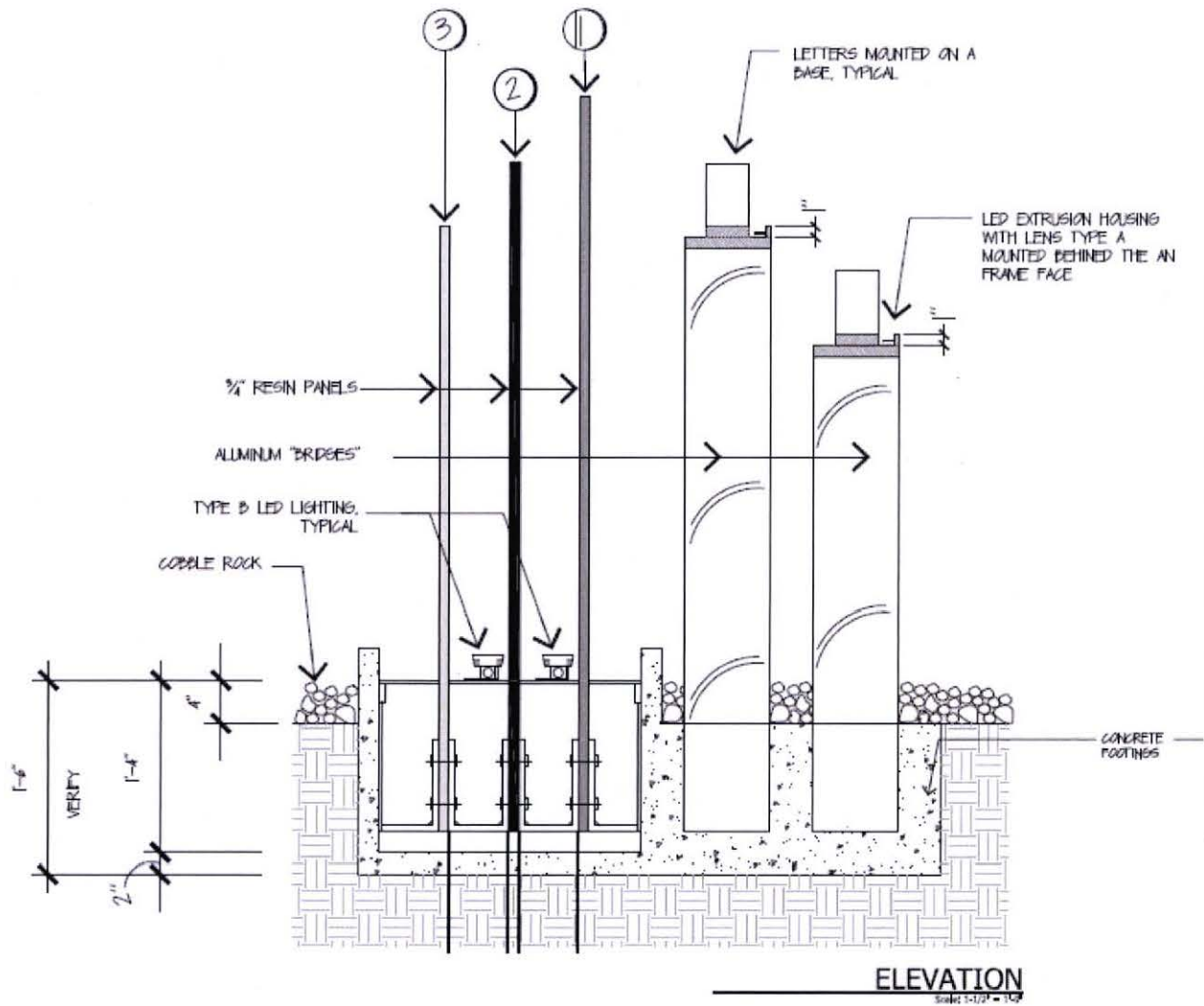


Figure 1

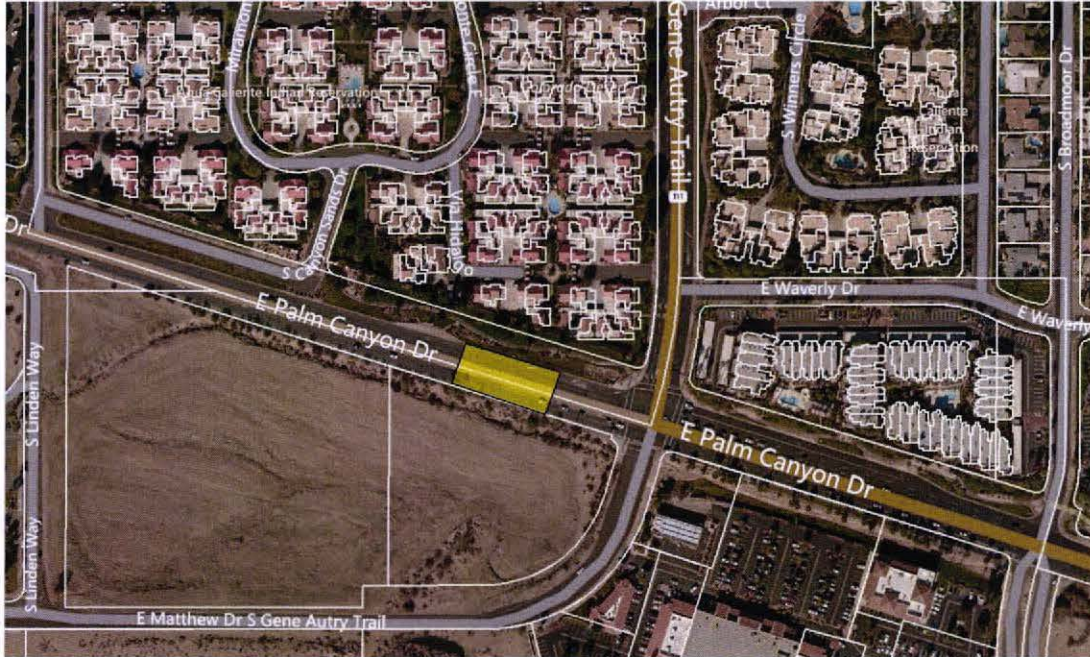
At that time, the City Council directed staff to add another two entry signs for locations entering Palm Springs from N. Indian Canyon Drive and Dinah Shore Drive.

Subsequently, on December 3, 2014, the City Council approved Amendment No. 1 to the PSA with JJA to prepare designs for the two additional entry way signs. A total of four entry way signs are proposed within the City and their locations are identified on the exhibits on the following pages. The detail for the sign is shown on the following pages.

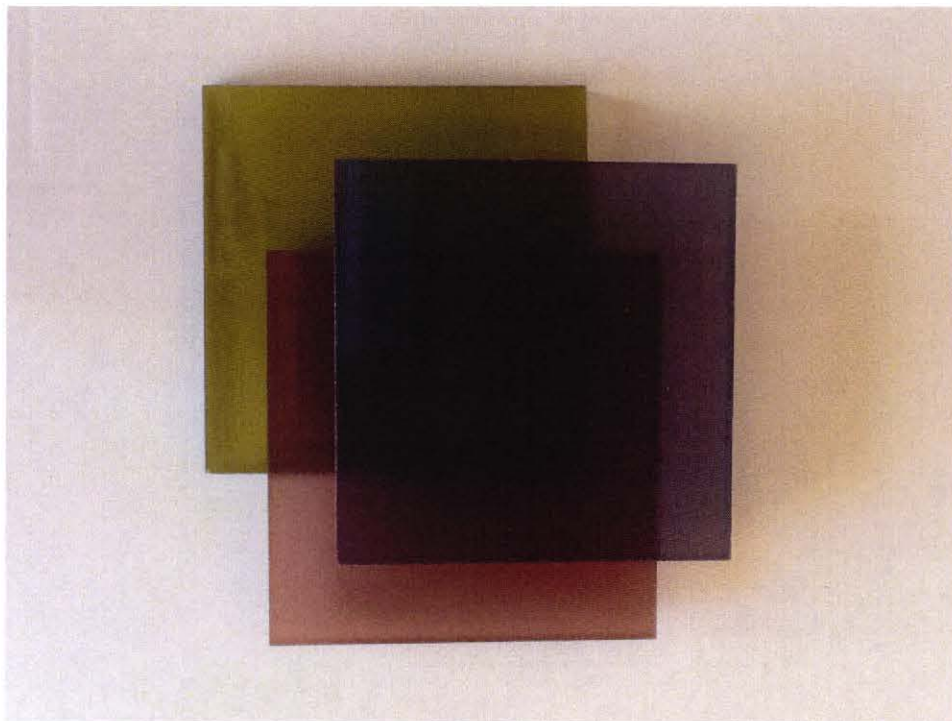




Entry Way Sign #1
E. Palm Canyon Dr.

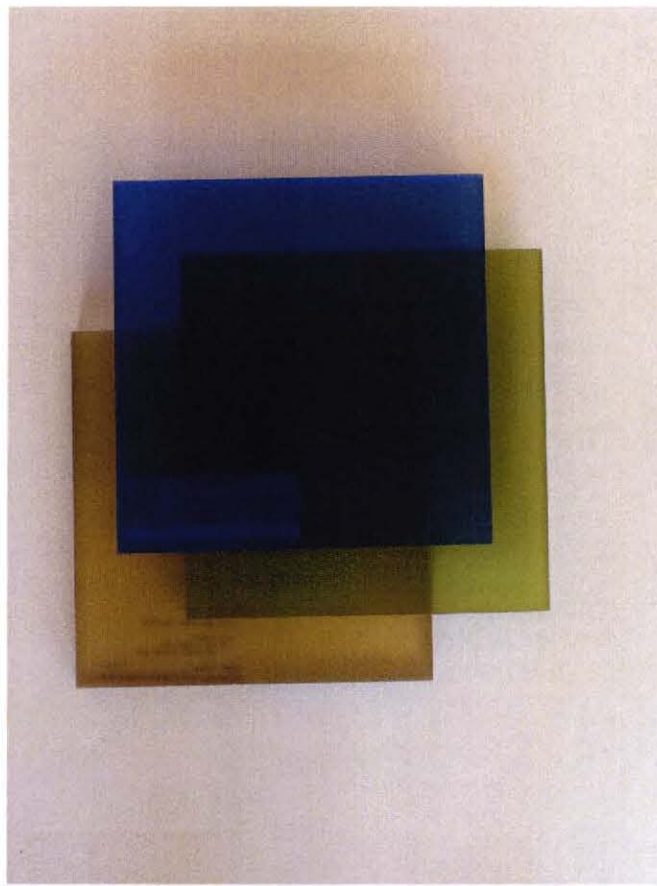


Location Map



Acrylic Panel Color Scheme

Entry Way Sign #2
Dinah Shore Dr.

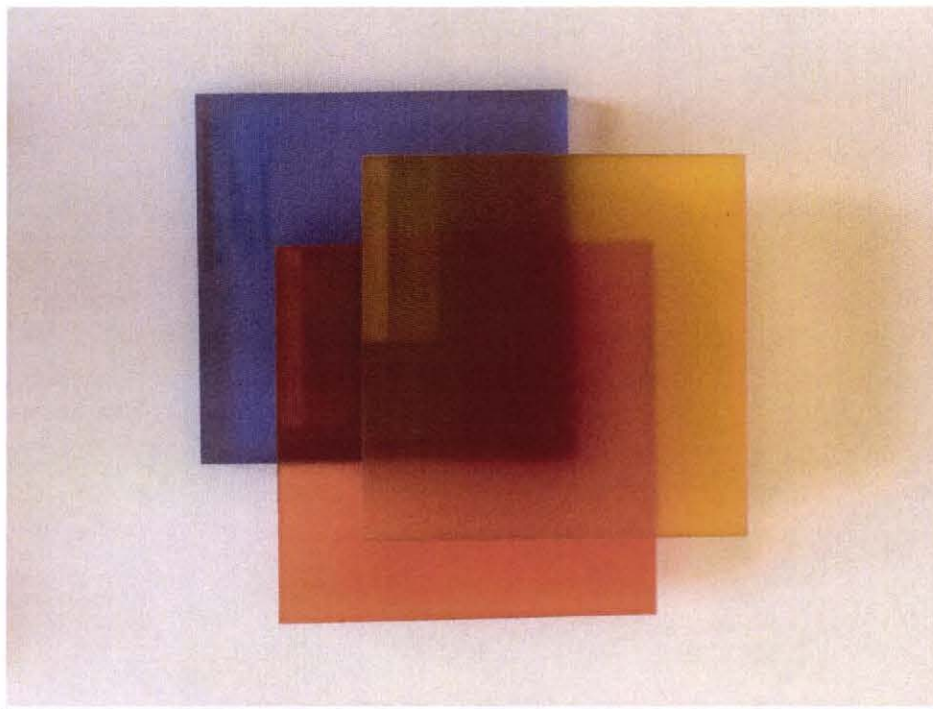


Acrylic Panel Color Scheme

Entry Way Sign #3
Ramon Road



Location Map

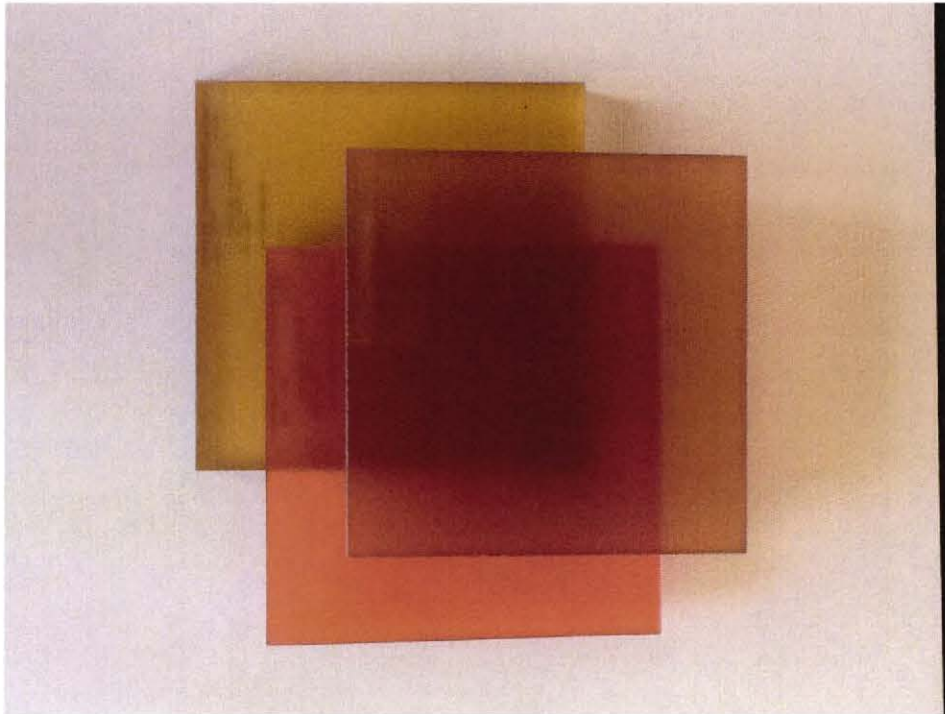


Acrylic Panel Color Scheme

Entry Way Sign #4
N. Indian Canyon Dr.



Location Map



Acrylic Panel Color Scheme

The construction drawings for the Project were completed by JJA, and on July 1, 2015, the City Council approved the plans, specifications and estimate and authorized staff to advertise and solicit bids the Project. On September 3, 2015, a low bid was received from AToM Engineering Construction Inc., ("AToM"), in the amount of \$567,398 for the four entry signs, which identified separate bid amounts for the four entry signs as follows:

Bid Schedule A (E. Palm Canyon Drive):	\$125,000
Bid Schedule B (Dinah Shore Drive):	\$126,000
Bid Schedule C (Ramon Road):	\$204,398
Bid Schedule D (Indian Canyon Drive):	\$112,000
Total Bid:	<u>\$567,398</u>

On October 21, 2015, the City Council awarded a construction contract to AToM Engineering Construction Inc., ("AToM"), in the amount of \$363,000 for the Project which excluded the fourth entry sign located on Ramon Road given the higher cost for that sign. At that time, it was reported to Council that staff will discuss with AToM the basis for the bid item price for the Ramon Road entry sign, and if possible, negotiate a reduced price for approval as a Change Order to the contract, and if not possible, consider bidding the Ramon Road entry sign separately in the near future.

In discussions with AToM staff was advised that the bid price of \$204,398 for the Ramon Road entry sign was higher given extensive utility extensions for electrical service from the originally proposed feed point located at the southwest corner of Gene Autry Trail and Ramon Road approximately 1,250 feet away from the sign location. Staff has since investigated and found a closer electrical meter pedestal providing service to the landscape median lighting system within Ramon Road, significantly reducing the costs to extend electrical service to the lighting for the new entry sign.

On this basis, staff requested and received a revised price of \$135,398 from AToM for construction of the fourth entry sign on Ramon Road, a reduction of \$ \$69,000 from the original bid price. Staff recommends that the City Council approve Contract Change Order No. 1 in the amount of \$135,398; a copy of Contract Change Order No. 1 is included as **Attachment 1**.

ENVIRONMENTAL IMPACT:

Section 21084 of the California Public Resources Code requires Guidelines for Implementation of the California Environmental Quality Act ("CEQA"). The Guidelines are required to include a list of classes of projects which have been determined not to have a significant effect on the environment and which are exempt from the provisions of CEQA. In response to that mandate, the Secretary for Resources identified classes of projects that do not have a significant effect on the environment, and are declared to be categorically exempt from the requirement for the preparation of environmental documents. In accordance with Section 15301 "Existing Facilities," Class 1 exemptions

consist of the minor alteration of existing public structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination; therefore, the Project is considered categorically exempt from CEQA, and a Notice of Exemption has been prepared and filed with the Riverside County Clerk. A copy of the Notice of Exemption is included as **Attachment 2**.

FISCAL IMPACT:

A total of \$150,000 was previously budgeted for the Project from the Measure J Capital Improvement Project Fund (Fund 260) for two entry way sign installations. On September 17, 2014, the City Council directed staff to add two more entry way sign installations, for a total of four entry way signs. After deducting incurred expenditures for administrative and design costs, a balance of \$128,646 remained available for the Project with an estimated construction cost of \$270,000. As reported to the City Council on July 1, 2015, an additional appropriation of approximately \$173,000 was anticipated to fully fund the Project.

On September 24, 2015, the Measure J Commission reviewed the status of several pending capital projects funded through the Measure J Capital Improvement Fund. At that time, staff reported a budget shortfall of \$366,354 to include sufficient budget for award of the contract and construction support/administration services. The Measure J Commission did vote to recommend that the City Council appropriate an additional budget of \$366,354 from the contingency reserve fund held in the Measure J Unscheduled Capital Projects for the Project.

Staff recommends that the City Council approve an additional budget of \$130,000 from the Measure J Capital Fund contingency (current balance of \$259,573) to be appropriated to the Project in Account No. 260-4500-59439. On the basis of this additional appropriation, the Project budget and estimated expenditures are identified in Table 1 on the next page.

Table 1

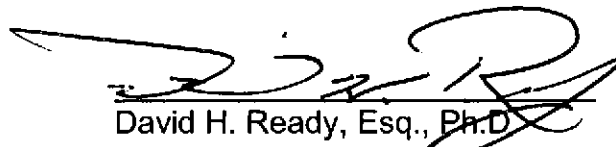
Table of Project Costs	Amount
FY 13/14 Measure J Fund	\$150,000
FY 15/16 Measure J Fund	\$280,000
FY 15/16 Measure J Fund (Additional)	\$130,000
Design Services	(\$22,215)
Project Administration (through 2/23/16)	(\$5,691)
Project Administration (Estimated)	(\$2,500)
Construction Inspection (Estimated)	(\$5,000)
Construction Contract	(\$363,000)
Change Order No. 1	(\$135,398)
Construction Contingency	(\$25,000)
Remaining Budget	\$1,196

With the City Council's approval of an additional budget appropriation of \$130,000 from the Measure J Capital Improvement Fund contingency, sufficient funding will be available in Account No. 260-4500-59439 to approve Contact Change Order No. 1.

SUBMITTED:



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



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

Attachments:

1. Contract Change Order No. 1
2. Notice of Exemption

ATTACHMENT 1



CITY OF PALM SPRINGS CONTRACT CHANGE ORDER

To: Atom Engineering Construction, Inc.
40410 Vista Rd.
Hemet, CA 92544
(951)766-2806

Date: March 4, 2016
Project No: 13-31
Project: Entry Way Signs

Change Order No: 01
Purchase Order 16-0649
Account 260-4500-59439

Attn: Larry Boyer

CHANGES IN WORK/COST:

This Contract Change Order No.1 adds the scope of work identified as Bid Schedule C, Entry Sign No. 3, Ramon Road at San Luis Rey Drive, as generally defined as follows:

The Work includes the fabrication and installation of a new "Palm Springs" monument sign within an existing median island, modification of existing irrigation system, installation of new landscaping, lighting and electrical system improvements identified for **"Sign No. 3," located on Ramon Road west of San Luis Rey Drive, as identified on Sheets L-2.2, L-3.2, E1.0, E2.0, S-1, S1.1, and S-2 of the Drawings, and all other applicable General Notes, details, and associated information shown on the Drawings.** The Work shall include import and installation of planting soil within the existing median island to construct a 12" landscape mound, and installation of five (5) various sized landscape boulders as shown on the Drawings.

The location for electrical service is hereby revised from the original location approximately 1,250 feet from the location of Entry Sign No. 3, to an existing electrical meter pedestal providing service to the Ramon Road median landscaping.

NEW ITEMS

Item	Description	Price	Quantity	Total
A	Ramon Road Entry Sign	\$135,398.00	1	\$135,398.00

CHANGE ORDER TOTAL \$135,398.00

CHANGES TO CONTRACT TIME:

15 working days will be added for door fabrication.

SOURCE OF FUNDS:

The following account will be utilized:

Item	Description	Amount	Account Utilized
A	Ramon at San Luis Rey Entry Sign	\$135,398.00	260-4500-59439

REASONS FOR CHANGES:

Item A: The Ramon Road at San Luis Rey entry sign was part of the original project at the time of bidding. When bids were opened this sign was significantly more expensive than other locations due to the need to provide power from a remote location. The original bid was \$204,398.00. Due to this higher than anticipated cost, the Ramon Road location was not included in the project award. Since that time, it has been determined that an existing source is available nearby that will be sufficient to provide power for the sign. The Contractor was asked to re-bid the work utilizing the existing power source. This Change Order No. 1 will add the Ramon Road location to the Entry Sign project at the Lump Sum/Agreed Price of \$135,398.00.

SUMMARY OF COSTS:

Original Contract Amount:	\$363,000.00	Original Completion	TBD
This Change Order:	\$135,398.00	Days Added	15
Previous Change Order(s):	\$ 0.00	Previous Days Added:	0
Revised Contract Amount:	\$498,398.00	Revised Completion	TBD

SIGNATURES ON NEXT PAGE

CP 13-31 Palm Springs Entry Signs
Contract Change Order No. 1
March 4, 2016
Page 3

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

Atom Engineering Construction

	Signature	Date
Printed Name and Title		

City of Palm Springs

Recommended By:

	Marcus Fuller Assistant City Manager/City Engineer	Date
--	---	------

Approved By:

	David H. Ready, City Manager	Date
--	------------------------------	------

Attest By:

	James Thompson, City Clerk	Date
--	----------------------------	------

Distribution:

Original Conformed Copy:

Contractor	(1)
City Clerk	(1)

Conformed - File Copy:

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

ATTACHMENT 2

NOTICE OF EXEMPTION

To: Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

From: City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Clerk of the Board
County of Riverside
P.O. Box 751
Riverside, CA 92502-0751

Project Title: Entry Way Sign Improvements, City Project No. 13-31

Project Applicant: City of Palm Springs

Project Location (Specific): Entry way signs at four (4) locations; S. Gene Autry Tr./E. Palm Canyon Dr., Dinah Shore Dr./Crossley Rd., E. Ramon Rd./San Luis Rey Dr., and N. Indian Canyon Dr./W. Tramview Rd.

Project Location (City): City of Palm Springs Project Location (County): Riverside

Project Description: The scope of work is to install four (4) entry way signs on existing/proposed median islands within the roadway. Each sign shall consist of two (2) independent aluminum bridges with the word PALM on one and SPRINGS on the other, three (3) differently colored acrylic panels, vault for structural mountings, concrete foundations, and LED strip lighting. The installation will comprise of modifying/new irrigation and planting as well as electrical services connections.

Name of Public Agency Approving Project: City of Palm Springs

Name of Person or Agency Carrying Our Project: City of Palm Springs, Public Works & Engineering Department
3200 E. Tahquitz Canyon Way, Palm Springs, CA 92262

Exempt Status: (check one)

- Ministerial (Sec. 21080(b) (1); 15268);
- Declared Emergency (Sec. 21080(b) (3); 15269(a));
- Emergency Project (Sec. 21080(b) (4); 15269 (b)(c));
- Categorical Exemption. State type and section number: 15303 Existing Facilities (Class 1), Minor alteration of existing public facilities; (c) – (Existing highways and streets)
- Statutory Exemptions. State code number:

Reasons why project is exempt: Class 1 consists of the minor alteration of existing public structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Therefore, the Entry Way Sign Improvements, City Project No. 13-31, is considered categorically exempt from CEQA.

Lead Agency Contact Person: Savat Khamphou, P.E. Area Code/Telephone/Extension: (760) 323-8253, ext. 8744

If filed by applicant:

- 1. Attach certified document of exemption finding.
- 2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Date: 9/30/15 Title: Asst. Director of Public Works/Asst. City Engineer

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code Date received for filing at OPR: _____
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.