



City Council Staff Report

DATE: July 6, 2016 CONSENT CALENDAR

SUBJECT: APPROVAL OF VARIOUS ACTIONS RELATED TO THE TAHQUITZ CREEK TRIANGLE GATEWAY, CITY PROJECT NO. 14-16

FROM: David H. Ready, City Manager

BY: Public Works & Engineering Department

SUMMARY

The City Manager's approval of Contract Change Order No. 1 ("CCO 1") in the amount of \$24,652.50 with Golden Valley Construction revises particular bid items from the construction contract required by the Riverside County Flood Control and Water Conservation District (the "District") for the Tahquitz Creek Triangle Gateway, City Project No. 14-16 (the "Project"); however, additional budget is required for the Project to facilitate the City Manager's approval of CCO 1. Additionally, in order to ensure construction of this project proceeds uninterrupted, this action requests City Council authority for the City Manager to approve construction contract change orders up to the cumulative total of \$50,000 inclusive of CCO 1.

RECOMMENDATION:

1. Approve the transfer of \$37,982 in Measure J Capital Fund available budget from the Demuth Park and Ruth Hardy Park Security Path Lighting Improvements, City Project No. 14-19, to the Tahquitz Creek Triangle Gateway, City Project No. 14-16;
2. Delegate authority to the City Manager to approve and execute construction contract change orders up to a cumulative amount of \$50,000;
3. Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

On October 7, 2015, the City Council awarded a construction contract to Golden Vista Construction Inc., a California corporation, dba Golden Valley Construction ("GVC") in the amount of \$346,141 for the Project. The scope of work requires the removal of the existing open surface flow and construction of a new underground storm drain system to improve the District's owned triangle parcel as a bicycle path trail head. The scope of work also includes the construction of a concrete multi-use path, curb and gutter and sidewalk improvements, access ramp modifications, planting and irrigation

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modifications, landscape lighting and electrical systems modifications, traffic signal equipment relocation, signing and striping modifications, and all appurtenant work. An aerial map of the site is identified in Figure 1.



Figure 1 - Location Map

The construction documents (plans and specifications) for the Project were prepared by MSA Consulting and were reviewed and approved by the City's Public Works and Engineering Department. The construction drawings included a new 6" thick Portland cement concrete multi-use path over compacted soil extending the existing multi-use path along North Riverside Drive to East Sunny Dunes Road. Additionally, new Desert Willows and California Fan Palms landscaping were included in the construction documents. However, CV Link improvements such as: charging station, shade structures, associated hardscape, lighting, electrical design, benches and other amenities are being deferred to CVAG to install as part of the CV Link Project.

As reported to the City Council on October 7, 2015, at the time a construction contract was awarded for the Project, during preparation of the final design plan, staff maintained coordination with the District and initiated the process to obtain an encroachment permit to improve the District's property as part of the Project. Up until that time, the District had advised staff that an encroachment permit would be issued through the District's normal administrative procedures. However, after award of the construction contract to GVC, on January 6, 2016, the District advised staff that a formal Encroachment License Agreement would be required to facilitate construction of the Project on the District's

property. This change in requirement at the District delayed commencement of construction, and has added \$10,000 in administrative costs required by the District in the review and approval of the required Encroachment License. On March 2, 2016, the City Council approved the Encroachment License with the District for the Project.

Additionally, the District has required that the City revise its construction drawings for improvements to be constructed on the District's property. Specifically, the District is requiring:

- 1) Construction of the District's standard 6" thick Portland cement concrete bike path with #4 steel reinforcement bars spaced 18" on center each way; and
- 2) Installation of tree root barriers for all new trees planted within the District's property.

These requirements were not part of the City's original design, and staff requested and received a proposal from GVC to incorporate these new elements as part of the Project. The cost for this additional work is \$24,652.50, and has been identified as Contract Change Order No. 1 to be approved by the City Manager; a copy is included as reference as **Attachment 1**.

City Council Approval of Contingency Funds

The City Manager has authority to approve expenditures up to \$25,000. CCO 1 in the amount of \$24,652.50 is within, but exhausts, the City Manager's authority to approve contract change orders for the Project. To ensure construction of the Project proceeds uninterrupted, to the extent that additional changes to the scope of work are warranted, staff recommends that the City Council delegate to the City Manager authority to approve up to a cumulative amount of \$50,000 (inclusive of the \$24,652.50 amount of CCO 1), for an additional authority of \$25,000 above the City Manager's original authority.

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 projects consist of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities; therefore, the Tahquitz Creek Triangle Gateway is considered categorically exempt from CEQA, and a Notice of Exemption has been prepared and filed with the Riverside County Clerk.

FISCAL IMPACT:

In Fiscal Year 2013/14, an initial appropriation of \$300,000 was budgeted for the project through Measure J Capital Project Fund (Fund 260). An additional appropriation of \$165,974 in Fiscal Year 2015/16 was funded through the Measure J Capital Project Fund to facilitate award of the construction contract to GVC, including construction support/administration services. A total of \$465,974 has been appropriated for the Project to date.

After award of the construction contract and deduction of incurred expenditures such as design costs, administration, and construction support, the current balance available for the Project in the Measure J Capital Fund, Account No. 260-4500-59447 is \$22,333.49. There is insufficient balance available for the City Manager's approval of CCO 1 in the amount of \$24,652.50.

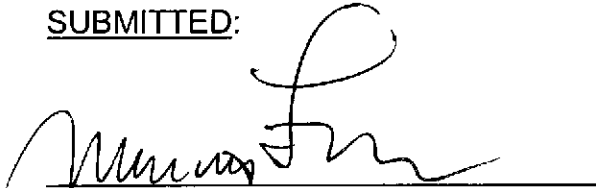
On June 15, 2016, the City Council approved the Measure J Capital Project Fund for the 2016/2017 Fiscal Year budget. As part of that action, the City Council did not allocate a contingency reserve for various Measure J capital projects. Currently, a balance of approximately \$153,446 remains in the Measure J "Unscheduled Capital Projects" reserve, Account No. 260-4500-50000.

Additionally, construction of the Demuth Park and Ruth Hardy Park Security Path Lighting Improvements, City Project No. 14-19, has been completed, and resulted in a net decrease of \$20,990 to that construction contract. Currently, there is an available balance of \$37,982 in the Measure J Capital Project Fund, Account No. 260-4500-59403 for City Project No. 14-19 that is available for use by other Measure J Capital Projects. Staff is recommending that the City Council authorize the transfer of the remaining balance of \$37,982 for City Project No. 14-19 to the Measure J Capital Project Fund, Account No. 260-4500-59447 for the Project to facilitate approval of CCO 1 and provide additional budget for contingencies. On the basis of this budget transfer, the Project budget and estimated expenditures are identified in Table 1.

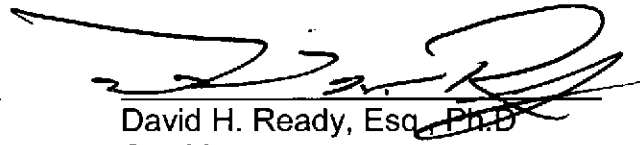
Table of Project Costs	Amount
FY 13/14 Measure J Fund	\$300,000
FY 15/16 Budget Appropriation (Measure J)	\$165,974
FY 16/17 Budget Transfer (Measure J)	\$37,982
Design Services	(\$85,482)
Project Administration (through 6/28/16)	(\$8,042)
Project Administration (Estimated)	(\$2,500)
Construction Inspection (Estimated)	(\$10,000)
Construction Contract	(\$346,141)
Contract Change Order No. 1	(\$24,653)
Construction Contingency	(\$25,000)
Remaining Balance	\$2,138

Table 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

ATTACHMENT 1



CITY OF PALM SPRINGS CONTRACT CHANGE ORDER

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

Date: June 21, 2016
14-16
Project: Tahquitz Creek Triangle Parcel
Change Order No: 1 (one)
Purchase Order: 16-0601
Account No. 260-4500-59447

Attn: Mike Honz

This CCO No. 1 Includes new construction items required by Riverside County Flood Control District

New Items	Description	Quantity	Cost Per Unit	Total Cost
A	Install #4 Re-Bar 18" On Center within PCC Bike Path	16,650 Square Foot	\$1.25	\$20,812.50
B	Install Root Barriers Around Trees	60 Each	\$64.00	\$3,840.00
			TOTAL AMOUNT	\$24,652.50

Reasons for Extra Work:

Portions of this project are within the right of way of Riverside County Flood Control and Water Conservation District. New items A and B were conditions required as part of the permit approval process.

New Items:

Item A: Size #4 reinforcing steel will be added to the concrete bicycle path in a 18" x 18" grid. The Contractor will provide and install the reinforcing steel at a unit cost of \$1.25/Square Foot of PCC Concrete placed.

Item B: Riverside County Flood Control and Water Conservation District has required that root barriers be provided and installed around all new and relocated trees. The Contractor will provide and install polypropylene root barriers to a minimum depth of 36 inches at the unit cost of \$64.00/for each tree.

Changes to Contract Time:

5 additional working days will be added to the contract for the completion of items A and B.

CP 14-16 Tahquitz Creek Triangle Parcel
Contract Change Order No. 1
June 21, 2016
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Source of Funds:

Funds are available in the following account : 260-4500-59447

Summary of Costs:

Original Contract Amount:	\$346,141.00	Original Completion	30 Working Days
This Change Order:	\$24,652.50	Days Added	5
Revised Contract Amount:	\$370,793.50	Revised Completion	35 Working Days

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

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

Golden Valley Construction

	_____ Signature	_____ Date
	_____ Printed Name and Title	

City of Palm Springs

Recommended By:

	_____ Assistant City Manager/City Engineer	_____ Date
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Attest By:

	_____ James 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)