



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** January 13, 2015

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Increase In Construction Change Order Authority For The Punta Gorda Street Bridge Replacement Project

**RECOMMENDATION:** That Council:

- A. Authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra work of Shaw Contracting, Inc., for the Punta Gorda Street Bridge Replacement Project, Contract No. 24,514, in the amount of \$200,000, for a total Change Order Authority of \$694,600 and a total Project expenditure authority of \$2,560,565;
- B. Authorize an increase in the extra services amount with Filippin Engineering, Inc., for Construction Management Support Services for the Punta Gorda Street Bridge Project, Contract No. 24,515, in the amount of \$48,000, for a total project expenditure authority of \$411,741;
- C. Appropriate \$248,000 from the Streets Fund Reserves for transfer to the Streets Capital Fund for the Punta Gorda Street Bridge Replacement Project; and
- D. Increase appropriations and estimated revenues in the Streets Capital Fund for the Punta Gorda Street Bridge Replacement Project funded from a transfer from the Streets Fund.

**DISCUSSION:**

**BACKGROUND**

For many years, the City has been planning to widen Sycamore Creek north of the U.S. Highway 101 Bridge to reduce the probability of flooding in the neighborhood.

On September 7, 2012, the City received notification from the California Department of Housing and Community Development of an approval of Disaster Recovery Initiative (DRI) grant funds in the total amount of \$2,662,525, for a project to widen the creek channel and replace the Punta Gorda Street Bridge.

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On May 21, 2013, Council awarded a construction contract to Shaw Contracting, Inc. (Shaw), in their low bid amount of \$1,865,964.50, which included \$186,600 to cover any cost increases that may result from contract change orders. Staff notified Shaw on July 1, 2013, to proceed with the construction.

#### CHANGE ORDERS

On October 29, 2013, Council approved an increase in the Change Order (CO) authority of \$160,000 for the Punta Gorda Street Bridge Replacement Project (Project). The increase in CO authority was due to the delay caused by Southern California Edison (SCE) not being able to complete the relocation of its overhead electric transmission facilities by their estimated finish date. The placement of a concrete foundation by SCE for a new tubular steel pole was needed to relocate the existing overhead electric lines on Punta Gorda Street. The increased CO authority amount of \$160,000 was based on City staff's estimate of anticipated extra work costs at that time. The total cost incurred due to the SCE delay is approximately \$260,000. Staff submitted a notification of claim to SCE in April 2014, for reimbursement of the delay costs. Staff is currently in discussions with SCE regarding the information submitted and anticipates a response and conclusion in the next few months.

On November 19, 2013, staff suspended the Project due to the delay and regulatory permitting restrictions during the winter season. The regulatory permits restricted construction activity in the creek until after July 1, 2014. Shaw submitted an extra work proposal for remobilization and staff authorized Shaw to remobilize its labor forces and equipment starting on July 14, 2014.

Due to the higher than anticipated cost incurred due to the SCE delay, the remaining CO authority was sufficient only for Shaw's remobilization. Therefore, on July 29, 2014, Council approved an increase in CO authority of \$148,000 for the project. The increase in CO authority was to cover any cost increases that may result from contract change orders for the remaining work of the Project.

#### CURRENT STATUS

Prior to remobilization, unanticipated conflicts with SCE's overhead electric transmission facilities were observed. The final condition of the overhead electrical conductors were at a significantly lower height than was identified in the Project plans and specifications. Additionally, the horizontal alignment of the transmission facilities were installed closer to the bridge than was depicted in the Project plans. The lower conductor height and closer alignment of the transmission facilities impacted Shaw's originally planned construction means and methods, restricting the equipment and materials originally available to perform the work per the contract. This necessitated the assistance of an additional drilling subcontractor with more specialized equipment for installation of the four northerly-most piles. It was determined necessary to proceed on a time and material basis so that the work could be completed without delay and prior to significant rains.

The cost for this time and material work and bid unit price credit has now been finalized and approved. The work completed exceeds the existing CO authority. Therefore, staff is requesting an increase in CO authority to cover the portion of this work that exceeded the existing CO authority plus additional CO work already in consideration and any remaining CO work required to complete the project. Additional CO work under consideration includes construction of a new driveway for the Green Mobile Home Park, located at 1200 Punta Gorda Street, which City staff recommends due to their onsite plans and to coordinate construction within the public right of way.

Construction of the new bridge is nearly complete. Remaining items include street improvements, fencing, and the completion of landscaping. Staff anticipates Punta Gorda Street being reopened within the next month.

Staff is also requesting an increase in the extra services amount for Filippin Engineering, Inc. (Filippin). This request is necessary for additional responsibilities Filippin began in December 2014, with the departure of the City's Project Engineer who was the Resident Engineer for the project. Filippin began taking on the duties of Resident Engineer and will continue to do so until the project is complete. The increase of \$48,000 is an estimate of the extra services needed to complete this work.

**BUDGET/FINANCIAL INFORMATION:**

City staff has filed a claim through SCE and is pursuing reimbursement for the delay costs associated with their work. The remaining CO work, including this request, is an eligible grant expenditure; however, a grant increase would be required to receive reimbursement for these costs. City staff is working with the DRI program representative to request an increase and anticipates an initial response later this month. It is not yet known whether the DRI program has sufficient funds available for the City to obtain an increase. Therefore, at this time, it must be assumed that these extra costs will not be reimbursed.

**FUNDING**

The following tables summarize the additional expenditures recommended in this report:

**CONSTRUCTION CONTRACT FUNDING SUMMARY**

	<b>Base Contract</b>	<b>Change Order</b>	<b>Total</b>
Initial Contract Amount	\$1,865,965	\$186,600	<b>\$2,052,565</b>
Previous Increase (Council approved on October 29, 2013)	\$0	\$160,000	<b>\$160,000</b>

	<b>Base Contract</b>	<b>Change Order</b>	<b>Total</b>
Initial Contract Amount	\$1,865,965	\$186,600	<b>\$2,052,565</b>
Previous Increase (Council approved on July 29, 2014)	\$0	\$148,000	<b>\$148,000</b>
Proposed Increase	\$0	\$200,000	<b>\$200,000</b>
<b>Totals</b>	<b>\$1,865,965</b>	<b>\$694,600</b>	<b>\$2,560,565</b>

**CONSTRUCTION MANAGEMENT SERVICES CONTRACT FUNDING SUMMARY**

	<b>Base Contract</b>	<b>Extra Services</b>	<b>Total</b>
Initial Contract Amount	\$330,674	\$33,067	\$363,741
Proposed Increase	\$0	\$48,000	\$48,000
<b>Total</b>	<b>\$330,674</b>	<b>\$81,067</b>	<b>\$411,741</b>

The following summarizes all Project design costs, construction contract funding, and other Project costs.

**ESTIMATED TOTAL PROJECT COST**

*\*Cents have been rounded to the nearest dollar in this table.*

<b>Design</b>	Subtotal	\$576,388
<b>Right of Way</b>	Subtotal	\$50,000
Construction Contract		\$1,865,965
Construction Change Order Allowance		\$694,600
Construction Management/Inspection (by Contract)		\$411,741
Construction Management/Inspection (by City Staff)		\$175,000
Design Support Services During Construction (by Contract)		\$69,366
Other Construction Costs (environmental coordination/biological monitoring)		\$116,399
	Subtotal	<b>\$3,333,071</b>
	<b>Project Total</b>	<b>\$3,959,459</b>

With the recommended transfer from Streets Fund Reserves, there will be sufficient funds in the Streets Capital Fund to cover the extra work item. If staff is successful in obtaining a DRI grant fund increase, a transfer to the Streets Fund will be completed to replenish reserves.

**PREPARED BY:** Brian D'Amour, Principal Civil Engineer/AH/mj

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

**APPROVED BY:** City Administrator's Office