



CITY OF COMMERCE AGENDA REPORT

TO: HONORABLE CITY COUNCIL **Item No.** _____

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA: (1) APPROVING CHANGE ORDER NO. 2 TO 2015/2016 PAVEMENT REHABILITATION CONTRACT (PUBLIC WORKS PROJECT NO. 2015-15) WITH AMERICAN ASPHALT, INC.; AND (2) TRANSTECH ENGINEERS, INC. TO PROVIDE INSPECTION, CONSTRUCTION MANAGEMENT, AND PROJECT MANAGEMENT SERVICES PURSUANT TO THEIR EXISTING ON-CALL AGREEMENT

MEETING DATE: October 4, 2016

RECOMMENDATION:

Approve Change Order No. 2 to the contract with All-American Asphalt for FY 2015-16 Annual Pavement Improvement (Public Works Project NO. 2015-15) for a net amount of \$85,000, as follows:

- a. Deferral of Ferguson Drive pavement rehabilitation to next year's rehabilitation project (\$160,000 deletion);
 - b. Adding rehabilitation of 26th Street from Garfield Ave to just west of the Metrolink Station parking lot (\$220,000 addition); and
 - c. Addition of three minor cul-de-sacs areas on Senta Ave, Gaspar Ave, and Elkgrove Ave north of Bartmus Street (\$25,000 addition); and
2. Authorizes Transtech Engineers, Inc. to proceed with inspection, construction management, and project management services for these additional tasks pursuant to its existing "on-call" agreement with the City, at a cost of \$20,000.

BACKGROUND:

On November 6, 2012, the electors of the City of Commerce approved Measure AA (Ordinance No. 649) that authorized a one-half of one percent transactions and use (sales) tax to fund general municipal services. As part of Measure AA, 70% of the

funding is to be used for one-time infrastructure/capital projects, street rehabilitation, public facility improvements, and environmental projects.

On August 18, 2015, the City Council adopted the Fiscal Year 2015-16 Capital Improvement Program (CIP) that programmed \$7.2 million in CIP projects. A budget of \$4,000,000 was approved for the FY 2015-16 Annual Pavement Rehabilitation Project as part of the adopted CIP and on April 19, 2016, the City Council approved plans and specifications for the project. The project scope included “slurry sealing” and “cold mill and overlay” for local streets in the City of Commerce.

On June 7, 2016, the City Council awarded a contract to the lowest responsible bidder in the amount of \$2,147,921 plus a construction contingency in the amount of \$322,200 was approved for unforeseen conditions. The project is progressing within schedule and budget.

For the first change order, staff performed a value engineering analysis and determined that at this time, due to availability of additional budget and the possibility of project savings, it would be prudent to add several other pavement rehabilitation and improvement projects to this contract as outlined above. On September 6, 2016, the City Council approved the addition of Teen Center, Stevens Place and Astor Traffic calming to the project. The majority of these work items were already contract items; performing this work as part of the on-going pavement rehab project would bring substantial cost savings, reduce throw-away costs, and reduce additional inconveniences. This contract change order was for the total amount of \$463,500 and was primarily funded through cost savings from other CIP projects.

For this report, one of the changes requested include the delay of pavement rehab work on Ferguson Drive. This work is currently included in the current pavement rehab contract. However, after further review of parking issues, other concurrent construction, and the project budget, staff recommends that Ferguson Drive work be deferred to next year's Pavement Project. The other requested change is the inclusion of 26th Street rehab in the current contract as it would complement the recently completed Metrolink Station improvements and can be funded with Grant funds. The next change is the ratification of some minor pavement rehab work in the cul-de-sac areas of the streets that had received pavement rehab work.

ANALYSIS:

The proposed addition of work is a cost effective approach that takes advantage of the available budget and the contractor presence to address some long-standing problems at various locations throughout the City in an expeditious manner. The proposed work items are within relevant scope of work.

1. Deferral of Ferguson Drive rehabilitation to next year's rehabilitation project: The overall 2015-2016 pavement rehabilitation work has been a very successful and efficient effort due largely to the fact that staff, construction management team

and the contractor have been very diligent in communication with the residents and businesses about the upcoming work. One of the sensitive issues in any pavement rehabilitation work is accommodating parking needs of the residents and businesses. In most areas, staff, construction management team and the contractor were able to stage the work in such a way as to minimize parking impacts to the residents. However, this will be a very difficult task for Ferguson Drive. Ferguson Drive was originally included due to pavement condition however, after staff, construction management team and the contractor assessed the area for parking impacts, it was determined that the parking impacts may be too severe. It was determined that a parking management plan will be required and that most likely, a separate parking area may be necessary to provide the residents with additional parking options as the pavement work proceeds. As there are not very many available on-street parking options, City may have to secure private parking lots. Securing near-by private parking lots such as the SEIU and/or the County parking lot is a lengthy property and insurance negotiation effort that would take too long for the life of this contract. As the work for 2016-17 pavement rehabilitation work will start shortly after the 2015-16 work is completed, it is recommended that Ferguson Drive work be included in the next year's plan to allow staff time for negotiations for parking needs. (See Attachment 1A). Furthermore, City was notified by Calwater that they will be starting their construction of a 16-inch line in the Ferguson area. Delaying Ferguson Drive work to the next paving season will also avoid any construction conflicts and/or throw away costs.

2. Adding rehabilitation of 26th Street from Garfield Ave to just west of the Metrolink Station Parking Lot: Metrolink Station at 26th Street was recently completed. Improving 26th Street's pavement will further improve the area and access to the Station, which is the City's goal that will lead to increased ridership and use the station. The City had applied in 2015 for MTA Funding for extensive improvements at the station and in the area, which include 26th Street pavement rehab. However, the City did not receive funding at that time. The City will submit an updated application when MTA opens up Grant Program in the future. Combined with already implemented improvements at the Station and parking lot, improving 26th Street pavement will give the City further advantage in the future funding application showing the City has invested a considerable amount in the area already using City local funds.

The proposed improvements includes pavement cold-mill and overlay, 4-foot tall wrought iron fence along the station parking lot frontage adjacent to 26th Street, and additional ADA for items recently identified in City's ADA Transition Plan. The total construction cost is estimated to be \$200,000. In addition, staff is recommending approving 10% for contingency and 10% for the necessary design, CM and inspection by Transtech, bringing the total cost to \$240,000. Of this amount, \$150,000 of these costs will be funded by City of Commerce Transportation Department out of the Surface Transportation Local Funds (Account # 40-5170-57010.14085) and the remaining will be funded from the

Pavement Management Program. The pavement rehabilitation work cost is approximately \$150,000, and is paid based on final quantities and unit bid prices included in the contract. Performing this work at this time will eliminate replacement and reconstruction of improvements later, and minimize additional inconveniences. (See Attachment 1B)

3. Adding 3 minor cul-de-sacs areas on Senta Ave, Gaspar Ave, and Elkgrove Ave north of Bartmus Street: These are minor cul-de-sac areas, and are included for paving, as they are adjacent to the pavement improvements along Bartmus Street. The other 2 cul-de-sacs to the east north of Bartmus Street were also rehabilitated. The pavement rehabilitation work cost is approximately \$25,000, and is paid based on final quantities and unit bid prices included in the contract. Performing this work at this time will eliminate replacement and reconstruction of improvements later, and minimize additional inconveniences. (See Attachment 2)

ALTERNATIVES:

1. Approves staff's recommendation
2. Reject staff's recommendation
3. Provide staff with further direction

FISCAL IMPACT:

The total amount of the above additional work is **\$265,000**. These costs are already included in approved CIP budgets, and will not require additional budget allocations. Furthermore, because of cost efficiency and savings achieved, the unused balances of the previously approved budgets can be used for other projects and improvements.

Following is a breakdown of change order impacts and project budget impacts

Change Order Impact:

Item	Amount	Remarks
1.Deferral of Ferguson Drive rehabilitation to next year's rehabilitation project:	(\$160,000)	Cost will be reduced based on unused quantities
2. Adding rehabilitation of 26 th Street from Garfield Ave to just west of the Metrolink Station Parking Lot.	\$220,000*	Cost will be added based on final quantities
3.Adding 3 minor cul-de-sac areas on Senta Ave, Gaspar Ave, and Elkgrove Ave north of Bartmus Street:	\$25,000	Cost will be added based on final quantities
Total addition/deletion to the Contract	\$85,000	

*The total impact to the project budget will be reduced by \$150,000 contribution from Surface Transportation Local Funds.

Project Budget Impact

Item	Amount	Remarks
1. Deferral of Ferguson Drive rehabilitation to next year's rehabilitation project:	(\$160,000)	Cost will be reduced based on unused quantities
2. Adding rehabilitation of 26 th Street from Garfield Ave to just west of the Metrolink Station Parking Lot.	\$240,000	Cost will be added based on final quantities
Less contribution from Surface Transportation Local Funds	(\$150,000)	
3. Adding 3 minor cul-de-sac areas on Senta Ave, Gaspar Ave, and Elkgrove Ave north of Bartmus Street:	\$25,000	Cost will be added based on final quantities
Total addition/deletion to the project budget	\$ (45,000)	

RELATIONSHIP TO STRATEGIC GOALS:

The issue is applicable to the following Council's strategic goal: "*Improve and maintain infrastructure and beautify our community*" as identified in the 2012 Strategic Plan.

ATTACHMENTS:

Resolution

1. Deferral of Ferguson Drive rehabilitation to next year's rehabilitation project
2. Adding rehabilitation of 26th Street between Garfield Ave and just west of Metrolink Station Parking Lot
3. Adding 3 minor cul-de-sacs areas on Senta Ave, Gaspar Ave, and Elkgrove Ave north of Bartmus Street

Respectfully submitted:
Jorge Rifa, City Administrator

Recommended by:
Maryam Babaki, Director of PW/Dev Services

Reviewed by:
Vilko Domic, Finance Director

Approved as to form
Eduardo Olivo, City Attorney