



## Legislation Text

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**File #:** 16-035, **Version:** 1

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**SUBJECT:** Increase Contingency Percentage and Approve Change Order for Black Rascal Creek Bike Path Project 111065

### REPORT IN BRIEF

Authorizes approval of a change order to the Black Rascal Creek Bike Path - McKee Road to Yosemite Avenue construction contract in the amount of \$2,756.60 for additional electrical work.

### RECOMMENDATION

**City Council** - Adopt a motion increasing the contingency to 13% and approving a change order for the Black Rascal Creek Bike Path - McKee Road to Yosemite Avenue Project 111065, to Avison Construction, Inc., in the amount of \$2,756.60; and, authorizing the City Manager to sign the necessary documents.

### ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items (specific items to be addressed in the motion); or,
5. Continue to a future meeting (date and time to be specified in the motion).

### AUTHORITY

Charter of the City of Merced, Article XI, Section 1109 - Contracts on Public Works, and Merced Municipal Code Chapter 3.04, Article IV - Public Works Contracts. Every project involving an expenditure of more than sixty three thousand and fifty-four dollars (\$63,054) for the construction or improvements of public buildings, works, streets, drains, sewers, utilities, parks, and playgrounds shall be let by contract to the lowest responsive and responsible bidder after notice by publication in the official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids.

### CITY COUNCIL PRIORITIES

As provided for in the 2015-16 Adopted Budget.

### DISCUSSION

The project scope consists, in general, of the installation of a Class I Concrete Bike Path along portions of Black Rascal Creek, from McKee Road to Yosemite Avenue. The work included the removal of sidewalk, curb and gutter, pavement, and roadway excavation, the installation of bikeway access approaches, curb ramps, curb and gutter, traffic signs, pavement markers and markings, and minor pavement repairs within the project limits.

Construction began in August 2015, and consistent with these types of projects, a number of unexpected conditions were encountered in the field and additional items were necessary to better serve the community. A change order in the amount of \$32,438 was issued to Avison Construction in November 2015. The change order included the installation of a retaining wall due to the high existing dirt grades adjacent to the newly-constructed bike path, as well as a change to the construction method from a "slip-form machine pour" to a "hand form" method. The proposed Change Order #2 is for \$2,756.60 and includes costs for additional electrical work encountered due to existing field conditions.

The Engineer's Estimate for construction, out of the \$441,000 CMAQ Grant, was originally \$350,000. On November 3, 2014, Council awarded the project to the lowest bidder, Avison Construction, Inc., in the amount of \$329,435. At that time the following Construction Budget was approved:

Construction	\$ 329,435.00
Contingency (10%)	\$ 32,943.00
Engineering, Testing, Inspection	\$ 32,622.00
Total	\$ 395,000.00

At the November 3, 2014, meeting, Council authorized the City Manager to approve change orders for up to 10% of the total contract. The proposed change order for this project is 10.68% of the contract amount, exceeding the Council authorized change order amount by less than one percent. The amount over the Council authorized 10% equates to \$2,251.10, of which \$1,980.51 is paid for by grant funds and \$270.59 is the City's required match.

Staff is recommending authorizing the City Manager to approve the change order of \$2,756.60 and increasing the contingency to 13%.

## **HISTORY AND PAST ACTIONS**

On July 18, 2011, the City accepted a grant from the Congestion Mitigation Air Quality (CMAQ) Program for the installation of a Class I Bike Path along Black Rascal Creek. The grant included \$132,000, with an \$18,000 local match, for the environmental and design phases.

After a lengthy environmental phase, on September 2, 2014, Council accepted \$388,000 in CMAQ grant funding and approved the transfer of \$53,000 in matching funds to proceed with the construction of the project.

On November 3, 2014, Council awarded the construction contract to Avison Construction, Inc., in the amount of \$329,435.

## **IMPACT ON CITY RESOURCES**

This project was established as a Capital Improvement Project and account 450-1104-637.65-00-

111065 contains sufficient funding to complete the project.

## **ATTACHMENTS**

1. Location Map
2. Change Order No. 2