

Meeting Date: 7/29/2014

Report Type: Consent

Report ID: 2014-00529

Title: 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) – Approve Change Order

Location: 5th Street, North of H Street and Railyards Boulevard from 7th Street to the Bercut Drive, District 3

Recommendation: Pass a Motion 1) authorizing the City Manager or his designee to execute Change Order No. 6 to City Agreement No. 2013-1035 with O.C. Jones and Sons in an amount not to exceed \$609,000 for the 5th Street Extension / Railyards Boulevard Roadway Project (T15135800); and 2) resetting the City Manager’s Change Order authority.

Contact: Jon Blank, Supervising Engineer, (916) 808-7914; Nicholas Theocharides, Engineering Services Manager, (916) 808-5065, Department of Public Works

Presenter: None

Department: Public Works Department

Division: Engineering Services Admin

Dept ID: 15001111

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Exhibit A Location Map
- 4-Change Order No. 6 O.C. Jones

City Attorney Review

Approved as to Form
Gerald Hicks
7/18/2014 2:15:06 PM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 7/16/2014 4:14:31 PM

Description/Analysis

Issue: Change Order No. 6 in the amount of \$609,000 with O.C. Jones and Sons for the 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) provides compensation for additional fill needed to construct the roadway that was not provided for in the original contract, support struts to allow for the placement of back-fill against planter boxes, and for acceleration costs necessary to meet the State's grant fund deadline. The project is being administered by the City on behalf of Inland American (IA) Holdings which has given its approval for the subject change order.

Policy Considerations: The proposed City Council action is consistent with the City's policy which requires all agreements over \$100,000 to be approved by the City Council.

Economic Impacts: This new infrastructure is expected to create 92 total jobs (52.9 direct jobs and 39.1 jobs through indirect and induced activities) and create \$14,201,005 in total economic output (\$8,952,002 of direct output and another \$5,525,003 of output through indirect and induced activities).

The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations:

California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA): The 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) was subject to environmental review as part of the Railyards Specific Plan Environmental Impact Report (RSPEIR), which was certified on December 11, 2007. There is no new information or changed conditions which require a supplemental environmental review for the proposed actions.

Sustainability Considerations: The 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) will provide access to smart growth, infill, brownfield, transit-oriented development in the Railyards and is related to relocation of the mainline rail tracks. This project will support the Sacramento Intermodal Transportation Facility and improve opportunities for public transit and passenger rail operations.

Other: None.

Commission/Committee Action: None.

Rationale for Recommendation: Approval of Change Order No. 6 is necessary for project completion and to ensure the project is accelerated to meet the State's grant fund deadline.

Financial Considerations: The 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) is funded with two Department of Housing and Community Development grants. These include a Proposition 1C Transit-Oriented Development (TOD) grant, for which the City has an assignment agreement with IA Holdings. IA Holdings also has a Proposition 1C Infill grant directly with the State. The balance of these two grants will be used to fund the construction of the project. Pursuant to the City Project Delivery Agreement (2013-0238), IA Holdings will pay the City on a time and materials basis for City costs to deliver the Project.

The original construction contract amount is \$19,782,815.40. Change Orders one through five increased the contract amount to \$20,231,866.52. The construction budget as established in the Project Delivery Agreement is \$29,938,000 (Fund 3702), which is sufficient to execute Change Order No. 6.

IA Holding has provided a \$5 million letter of credit to the City to ensure payments for all costs incurred during a two month period. Should a default by IA Holdings occur, the City may stop all work, and call the letter of credit to pay any outstanding invoices.

There are no General Funds planned or allocated for this project.

Local Business Enterprise (LBE): The 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) contract was executed when the Emerging and Small Business Enterprise (ESBE) requirements were in place, so LBE requirements do not apply. O.C. Jones & Sons has pledged a 27.3% ESBE participation, which meets the ESBE requirement of 20%.

Background Information:

The State Department of Housing and Community Development (HCD) awarded two grants to fund the 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) using Proposition 1C funds. The Transit-Oriented Development (TOD) grant of \$17 million was awarded to construct the extension of 5th Street from H Street to the south to Stevens Street to the north. The Infill grant of \$30 million is intended to extend 5th Street to Railyards Boulevard and to construct Railyards Boulevard.

A portion of the grant funds have been used to construct the bridge portion of 5th Street over the relocated mainline tracks and for design of the roadway connections. The anticipated cost to complete the 5th Street and Railyards Boulevard project is \$28,880,000.

IA Holdings is a secured lender and has requested that the City deliver the public infrastructure project by entering into contracts for construction, construction management, and the installation of new electric, gas, and communications facilities.

On February 26, 2013, the City Council approved the 5th Street Project Delivery Agreement (PDA) which defines the terms by which the City will deliver the 5th Street Extension / Railyards Boulevard Roadway Project (T15135800) for IA Holdings.

The City advertised the project on May 28, 2013, and bids were received on July 10, 2013. Due to deficiencies in the Bid Documents and a receipt of a bid protest, bids were rejected by the City Council on August 13, 2013. The project was re-advertised on August 15, 2013, and bids were opened on September 11, 2013. O.C. Jones was determined to be the lowest responsive and responsible bidder.

Following is a summary of approved change orders:

Change Order No. 1 in the amount of \$89,000 provided compensation for handling of impacted soil and the cost to repair an unmarked water line.

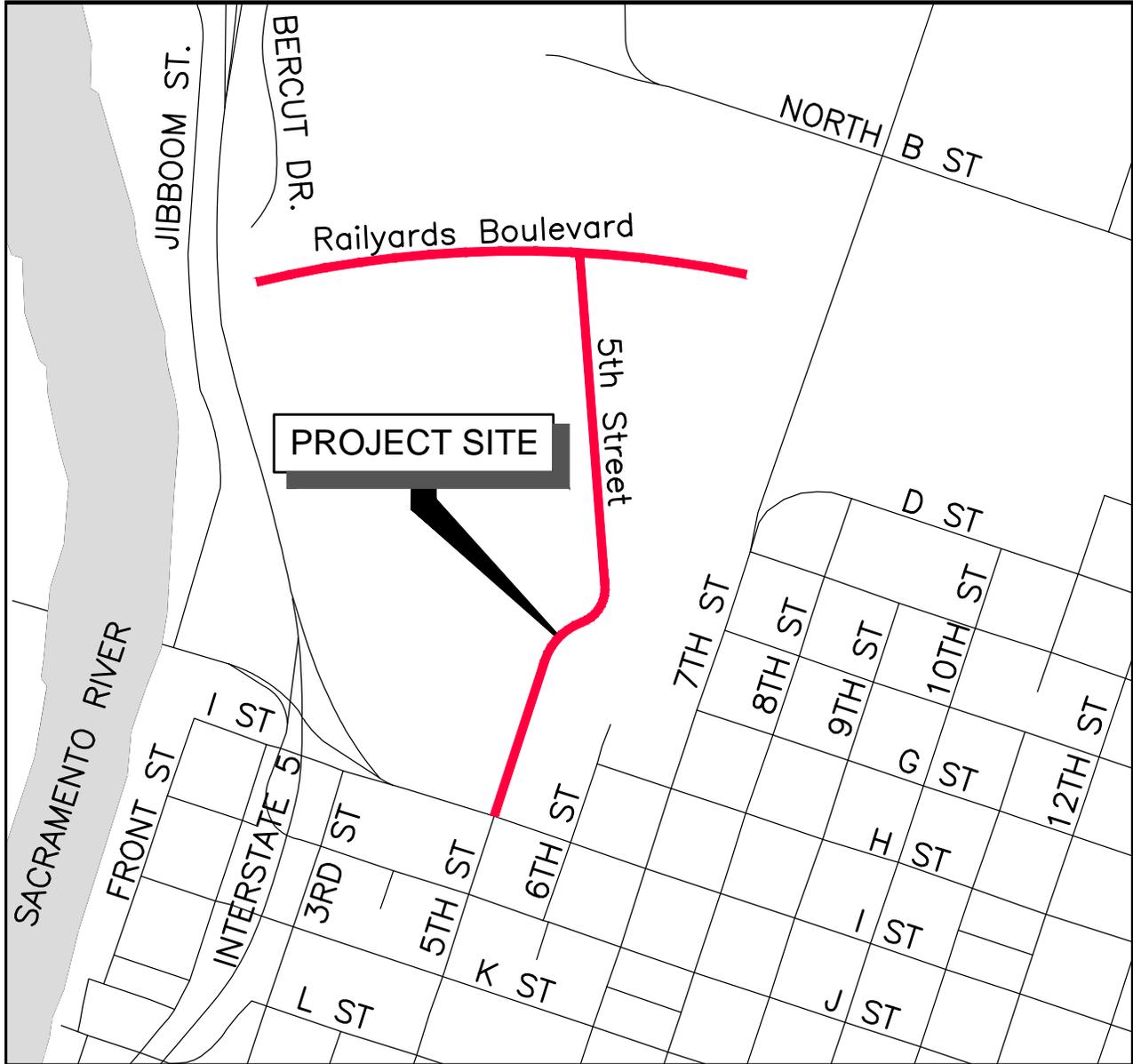
Change Order No. 2 in the amount of \$80,000 modified contract requirements related to time of completion, an escrow account, sub-contractor invoices, adjustment of Bid Item No. 9, and established a unit cost for import fill material exceeding the original contract amount.

Change Order No. 3 in the amount of \$92,566.66 provided compensation for removing an underground storage tank, moving soil stockpiles in conflict with the work, adjustment of a headwall liner, an increase in bridge bent thickness, additional funds for asbestos removal, and a credit for deleting a precast manhole.

Change Order No. 4 in the amount of \$99,301.00 provided compensation for storm water quality inlets that were not included in the bid proposal form, and a credit for salvaged materials.

Change Order No. 5 in the amount of \$88,383.44 provided compensation for modifying an end wall diaphragm, temporary fencing, SMUD conduit conflicts, changes to ATT vaults, and modifying a fiber switch.

Location map for:
**5th Street Roadway/
Railyards Boulevard Project**
PN: T15135800



Map Contact: Boris Kiksmán
Date: February 2013



SCALE



City of Sacramento
CHANGE ORDER

Project #: T15135800
Contract #: 2013-1035
Purchase Order #:

Change Order #: 6

Sacramento, California

TO: O. C. Jones & Sons, Inc, Contractor

CONTRACT FOR: 5th Street Viaduct & Railyards Blvd (rebid)

Upon Mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "City", and your firm, hereinafter referred to as "Contractor", in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following changes for the consideration set forth below:

Description:

See Exhibit A

The original contract sum was	\$19,782,615.40
The net change by previous Change Orders was	\$449,251.12
The contract sum prior to this Change Order was	\$20,231,866.52
The contract sum will be increased by this Change Order	\$609,000.00
The new contract sum including all Change Orders	\$20,840,866.52

Contractor agrees that the amount of increase or decrease in the contract sum specified in this Change Order shall constitute full compensation for the work required by this Change Order, including but not limited to all compensation for the additional and/or revised work specified herein, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised work, including any changes disruption or delays in work schedules or in the performance of other work by Contractor. The time for the performance of the contract is increased by 5 Working Days by reason of the performance of the work required by this Change Order. Except as herein above expressly provided, Contractor further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the timelimit for completion of the work as said term is used in the contract between the City and the Contractor for the project.

Approval Recommended by:

[Signature]
Project Manager

Approved by:

City of Sacramento Executed Date

Approved by:

[Signature] **6-27-14**
Contractor

Attested to by:

City Clerk

Approved as to form:

[Signature]
City Attorney

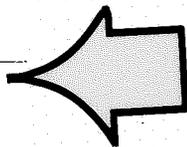


Exhibit A
5th Street Viaduct & Railyards Blvd (rebid)
2013-1035
06/26/14

<i>Description</i>	<i>Amount</i>
Change Order #6	
PCO # 17.0 Changes to Bid Documents	\$80,000.00
06/26/14 VCA PCO #05. Additional import fill for profile and cross section revisions at Railyards Blvd. This work is associated with Contract Change Order No 2 and provides for material and workmanship for placing additional import resulting from the profile and cross section revisions along Railyards Blvd. per revised sheets C0-3R-5R, C2-11R - 12R, C3-11R, C4-10R-17R, C4-19R-21R, C5-10R-12R and C6-10R-12R. Modifications to the profile were necessary to provide an acceptable riding surface and to add a 3 ft. soil choker to contain the roadway base. Costs associated with this work shall be paid in accordance with the provisions incorporated under Contract Change Order No 2 to a verified unit price of \$20.00 per additional imported cubic yard in place; the total agreed import quantity for these changes is 4000 CY. This agreed lump sum payment of \$80,000.00 shall constitute full compensation for this work and there shall be no other payments resulting from this change. Time impacts have been addressed under VCA PCO 33 for acceleration costs to complete the project by November 7, 2014. This work is required to complete the project as intended.	
PCO # 18.0 Changes to Bid Documents	\$20,000.00
06/26/14 VCA PCO #06 . Additional import fill to accommodate installation of 6'X8' SMUD vaults . This work is associated with Contract Change Order No 2 and provides for material and workmanship for placing additional import resulting from extending the limits of embankment to accommodate the installation of seven 6'X8' SMUD splicing vaults under contract item 185 as shown in revised drawings C0-3R-5R, C2-11R - 12R, C3-11R, C4-10R-17R, C4-19R-21R, C5-10R-12R and C6-10R-12R . Costs associated with this work shall be paid in accordance with the provisions incorporated under Contract Change Order No 2 to a verified unit price of \$20.00 per additional imported cubic yard in place; the total agreed import quantity for this change is 1000 CY. This agreed lump sum payment of \$20,000.00 shall constitute full compensation for this work and there shall be no other payments resulting from this change. Time impacts have been addressed under VCA PCO 33 for acceleration costs to complete the project by November 7, 2014. This work is required to complete the project as intended.	
PCO # 19.0 Changes to Bid Documents	\$160,000.00
06/26/14 VCA PCO #22. Planter box additional support. This change provides for additional work and materials resulting from modifications to the planter boxed along Railyards Blvd. The planter construction is contemplated under Contract Items 72 and 73. The planter modifications to add concrete struts are to provide additional wall support necessary to withstand soil and pavement section loads preventing damage to the walls. Costs associated with this work shall be paid for in accordance with Section 8-10, "Payment by Cost and Percentage," of the City Standard Specifications. Time impacts have been addressed under VCA PCO 33 for acceleration costs to complete the project by November 7, 2014. This work is required to complete the project as intended.	
PCO # 20.0 Changes to Bid Documents	\$218,000.00
06/26/14. VCA PCO #23. Additional import fill not covered under VCA PCO 5 and VCA PCO 6 included under this Change Order. This work is associated with Contract Change Order No 2 and covers materials and workmanship for placing additional import resulting from unusable onsite material generated from the Asbestos Containing Material (ACM) work, import used for initial backfill used in the installation of the Storm Drain and Sanitary Sewer pipes and additional import needed for the construction of the Detention Basin. Costs associated with this work shall be paid in accordance with the provisions incorporated under Contract Change Order No 2 to a verified unit price of \$20.00 per additional imported cubic yard in place; the total agreed import quantity for this change is 10,900 CY. This agreed lump sum payment	

of \$218,000.00 shall constitute full compensation for this work and there shall be no other payments resulting from this change. Time impacts have been addressed under VCA PCO 33 for acceleration costs to complete the project by November 7, 2014. This work is required to complete the project as intended.

PCO # 21.0 Changes to Bid Documents

\$131,000.00

06/26/14

VCA PCO #33. Acceleration cost to change the completion date to November 7, 2014. This change order provides acceleration costs to minimize time impacts due to approximately 44 additional working days of delay based on the latest CPM schedule. Without acceleration, the estimated completion date would be January 9, 2015. The project critical path was impacted by change orders for: the Asbestos Containing Material (ACM) work added under VCA PCO 1, the planter box changes that include adding concrete struts contemplated under VCA PCO 22 and placement of additional fill material under this change order. The acceleration costs also provide for time impacts for all known time impacts, including time impacts associated with grade modifications at the west end of Railyards Blvd to accommodate future anticipated work (placing additional fill, raising 2 boxes, 1 fire hydrant and 1 SDMH contemplated under VCA PCO 30). The cost associated with accelerating the project to meet the November 7, 2014 completion milestone date shall be paid as per the agreed lump sum of \$131,000.00 and there shall be no additional payment claims for time delays for all known time impacts as of June 24, 2014. The net result of this change order will be to add 5 working days to the contract time that will extend the completion date to 11/7/2014 and all other deferred time noted in the various approved change orders to date shall be closed under this PCO. This work is required to complete the project as intended under the State grant funding time line requirements.

5 Items Total for Change Order # 6 \$609,000.00

5 Items	Total for Contract # 2013-1035	\$609,000.00
<i>Totals By Reason</i>	Changed/Unforeseen Conditions	\$0.00
	Changes to Bid Documents	\$609,000.00
	Client Initiated Changes	\$0.00

Transmittal

Vali Cooper & Associates, Inc.

Date: 06/27/2014

To: Jose Ledesma

Company: City of Sacramento-DOT

From: Juan Zermeno

Company: Vali Cooper & Associates, Inc.

5th Street/Viaduct/Railyards Boulevard

Federal Project No.:

PN: T15135800

Document Control No.: 140627-T1

File: CAT 5, 49

Sent Via:	Submitted For:	Transmitting:
Hand delivery / Email: <input checked="" type="checkbox"/>	Approval: <input type="checkbox"/>	CCO: <input checked="" type="checkbox"/> Letter: <input type="checkbox"/>
US Mail: <input type="checkbox"/>	Your Info / Use: <input type="checkbox"/>	PCO: <input type="checkbox"/> Drawings: <input type="checkbox"/>
Courier: <input type="checkbox"/>	As Requested: <input type="checkbox"/>	RFI: <input type="checkbox"/> Specs: <input type="checkbox"/>
Fax: _____	Review and Comment: <input type="checkbox"/>	Submittal: <input type="checkbox"/> Pay Request: <input type="checkbox"/>

Action Taken (Submittals):	
No Exceptions Taken: <input type="checkbox"/>	Amend & Resubmit: <input type="checkbox"/>
Make Corrections Noted: <input type="checkbox"/>	Rejected - Resubmit: <input type="checkbox"/>

No. of Copies	Description
1	Contract Change Order No 6

Remarks:

Jose,
 Change Order No 6 signed. This one is going to Council.
 Thank you

Signed: Juan Zermeno

cc: file