

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



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SUBMITTAL DATE:
June 16, 2011

FROM: Redevelopment Agency

SUBJECT: Highgrove Center Street Trunk Sewer Project – Contract Amendment and Change Order

RECOMMENDED MOTION: That the Board of Directors:

1. Approve Change Order No. 7 in the amount of \$295,894.50 and authorize the Executive Director of the Agency to execute, and find that due to the integral nature of the work, and the potential delay that would be caused by bidding this work separately and resulting cost and hardship, that it is most cost effective to amend the construction contract and have TBU perform the work.

BACKGROUND: (Commences on page 2)

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 542,317	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: Yes	
SOURCE OF FUNDS: Interstate 215 Corridor Redevelopment Capital Improvement Funds Highgrove Sub-Area	Positions To Be Deleted Per A-30 <input type="checkbox"/>
	Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

County Executive Office Signature BY:
Elizabeth J. Olson

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY:
 SAMUEL WONG
 FORM APPROVED COUNTY COUNSEL
 BY:
 MARSHALL VICTOR
 DATE: 6/16/11

Dept's Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 3.41 of 5/4/10, 4.2 of 5/4/10 | District: 5 | Agenda Number: 4.20

4.20

BACKGROUND:

When the design documents were prepared for this project, project engineer Krieger and Stewart, Inc. hired Safr Dig to perform potholing to locate utilities and obstructions that the sewer design would have to take into account.

The work under Change Order No. 7 is an integral part of the work under this contract. When the canal crossing was found as an obstruction that affected installation of a segment of the planned sewer pipe, the most cost effective and efficient way to deal with the obstruction was determined to be a modification to the street height and the type of sewer pipe. This modification required time to design and obtain approval of the local jurisdiction, and if the RDA were to seek bids on the additional construction, it would have caused further delay and could have caused work to cease until such bidding was completed. This would have cost RDA substantially more than having the current contractor perform the work.

The resulting construction work under the TBU Inc. contract required to address the canal crossing issue exceeds the Agency's Executive Director's one-time construction change order authority under Board Policy B-11 and exceeds the 10% contingency set aside for the project. There are sufficient funds in the budget to cover the proposed change order cost for the construction component, which is \$295,894. The Redevelopment Agency (RDA) and engineer Krieger and Stewart have determined that the cost is a fair and accurate estimate of the cost to address the issue per the agreed upon design changes.

Staff recommends that the Board approve the motions so that the project can be completed.

Attachments:

1. TBU Change Order
2. Second Amendment to the Agreement for Consulting Services
3. First Amendment to the Agreement for Consulting Services
4. Agreement for Consulting Services