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**SUBMITTAL TO THE BOARD OF SUPERVISORS  
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**FROM:** TLMA - Transportation Department

**SUBMITTAL DATE:**  
 November 23, 2011

**SUBJECT:** Transportation Department Contract Change Order Report

**RECOMMENDED MOTION:** That the Board of Supervisors receive and file this Contract Change Order Report.

**BACKGROUND:** On May 16, 1995 (Agenda Item 3.25), your Board asked for periodic reports regarding the Change Order rates from the Transportation Department. This report covers the period through the 2008/2009, 2009/2010 and 2010/2011 fiscal years. The Department has a goal to keep the average annual change order rate below 4%. Attachment 1 illustrates the trend of contract statistics over the past 20 fiscal years indicating the change order rates for that time period. From the beginning of the 1995/96 fiscal year, when the Department had fully established the project manager form of project delivery and began implementing procedures to

Juan C. Perez  
 Director of Transportation

(Continued On Attached Page)

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	N/A

<b>SOURCE OF FUNDS:</b> N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY   
 Title: County Executive

**County Executive Office Signature**

- Dep't Recomm.  Consent  Policy
- Per Exec. Ofc.:  Consent  Policy

Prev. Agn. Ref. 3/17/09, Item 2.13

District:

Agenda Number:

3.36

Departmental Concurrence

The Honorable Board of Supervisors  
RE: Transportation Department Contract Change Order Report  
November 23, 2011  
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control the contract change order rate, the overall average rate to date is 4.5%.

In the 2010/2011 fiscal year, the Department filed notices of completion on 14 road construction contracts totaling \$19,499,205. The total change orders for these projects issued as part of the normal course of construction totaled \$782,122, a rate of 4.0%. This change order rate is right at our 4% target. Almost two thirds of the projects (9) had no change orders and none had change orders that exceeded 10% of the original contract bid amount.

In the 2009/2010 fiscal year, the Department filed notices of completion on 19 road construction contracts totaling \$12,184,523. The total change orders for these projects issued as part of the normal course of construction totaled \$327,165, a rate of 2.7%. This change order rate is well below our 4% target. Almost three quarters of the projects (14) had no change orders and none had change orders that exceeded 10% of the original contract bid amount.

In the 2008/2009 fiscal year, the Department filed notices of completion on 23 road construction contracts totaling \$48,004,800. The total change orders for these projects issued as part of the normal course of construction totaled \$1,672,540, a rate of 3.5%. This change order rate is well below our 4% target. Over one third of the projects (9) had no change orders and only two projects had change orders that exceeded 10% of the original contract bid amount. The 2008/2009 fiscal year reflects projects started in late 2006 or 2007, a time period during which asphalt and other construction prices were increasing at a rapid pace before the sudden economic slowdown.

The road construction contract amounts shown above do not reflect ongoing large bridge projects over the Santa Ana River or the Interchanges on the I-10 corridor, for which a Notice of Completion have not yet been filed. The Transportation Department will continue its diligent efforts to keep contract costs from escalating by improving project coordination and design to minimize change orders.

# Riverside County Transportation Construction Contracts Change Order Rates



Summary of Yearly Results for Projects that a Notice of Completion has been Issued:

	Total Contracts	Total #CCO's	CCO's = 0	CCO's >10%	Total Bid Amounts	Total C.C.O. Amount	Change Order %	Total Project Const. Cost
July 1991 - June 1992:	32	N/A	5	14	\$32,461,870.43	\$4,993,214.43	15.38%	\$37,526,088.18
July 1992 - June 1993:	26	N/A	5	12	\$23,776,027.00	\$4,105,665.18	17.27%	\$27,921,984.28
July 1993 - June 1994:	34	N/A	10	11	\$17,604,995.10	\$1,444,416.66	8.20%	\$18,905,372.77
July 1994 - June 1995:	30	268	3	16	\$33,116,622.75	\$2,994,852.15	9.04%	\$36,491,784.99
July 1995 - June 1996:	28	187	8	3	\$33,111,606.93	\$1,449,114.20	4.38%	\$34,223,630.17
July 1996 - June 1997:	31	54	10	2	\$19,359,692.36	\$528,836.04	2.73%	\$19,600,956.62
July 1997 - June 1998:	24	71	8	1	\$26,312,159.82	\$638,383.47	2.43%	\$27,041,530.97
July 1998 - June 1999:	21	65	5	2	\$17,449,359.09	\$896,241.17	5.14%	\$18,015,711.01
July 1999 - June 2000:	23	56	7	1	\$18,973,174.39	\$170,823.28	0.90%	\$18,995,903.27
July 2000 - June 2001:	25	72	6	2	\$17,268,546.14	\$1,509,103.94	8.74%	\$18,728,304.78
July 2001 - June 2002:	31	34	9	2	\$19,242,582.16	\$254,025.33	1.32%	\$19,015,424.61
July 2002 - June 2003:	16	51	1	1	\$12,122,501.47	\$388,178.25	3.20%	\$12,412,498.37
July 2003 - June 2004:	22	54	5	3	\$13,730,394.75	\$123,424.42	0.90%	\$13,937,898.23
July 2004 - June 2005:	27	42	7	0	\$11,837,051.59	\$213,722.98	1.81%	\$11,679,025.31
July 2005 - June 2006:	18	26	6	1	\$8,990,544.99	\$166,078.31	1.85%	\$8,985,032.83
July 2006 - June 2007:	26	62	9	2	\$28,992,325.65	\$1,531,066.05	5.28%	\$29,932,364.92
July 2007 - June 2008:	21	33	11	3	\$69,114,974.64	\$2,009,888.99	2.91%	\$75,466,950.32
Developer Requested and Funded Charges on the Newport Road Project 07/08: 13								
July 2008 - June 2009:	23	54	9	2	\$48,004,799.60	\$1,672,540.29	3.48%	\$48,114,294.24
July 2009 - June 2010:	19	10	14	0	\$12,184,523.30	\$327,164.97	2.69%	\$12,915,067.24
July 2010 - June 2011:	14	25	9	0	\$19,499,204.76	\$782,122.09	4.01%	\$20,779,145.84
<b>Totals for July 1991 through June 2011:</b>	<b>491</b>	<b>1177</b>	<b>147</b>	<b>78</b>	<b>\$483,152,956.92</b>	<b>\$30,441,273.32</b>	<b>6.30%</b>	<b>\$510,688,968.95</b>

\*Rate Since Implementation of Project Manager Format of Project Delivery - July 1995 through June 2011

4.49%

\* Rate Excluding the 13 Developer Requested Changes on the Newport Road Project of \$4,242,411.12 = 3.37%



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\* Includes 13 Developer Requested Changes on the Newport Road Project of \$4,242,411.12 - Rate Excluding this Amount =