

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

182A



**FROM:** TLMA – Transportation Department

**SUBMITTAL DATE:**  
June 1, 2014

**SUBJECT:** Amendment Number 3 to the Engineering Services Agreement for Construction Management Services for the Date Palm Interchange at Interstate 10. 4th/4th District. [\$4,175,000]; (Local Funds 100%)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve Amendment Number 3 to the Engineering Services Agreement between Mendoza & Associates and the County of Riverside;
2. Authorize the Chairman of the Board to execute the Amendment;
3. Authorize the use of up to \$1,200,000 of DIF Fund 30508 Roads, Bridges, Major Improvements for costs associated with the Date Palm/Interstate 10 Interchange Improvements; and
4. Direct the Executive Office to reimburse up to \$1,200,000 from DIF Fund 30508 Roads, Bridges, Major Improvements to the Transportation and Land Management Agency for project expenditures associated with the Date Palm/Interstate 10 Interchange Improvements.

*Patricia Romo*  
Patricia Romo

Juan C. Perez, Director of Transportation and Land Management

Assistant Director of Transportation

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (Per Exec. Office)
<b>COST</b>	\$ 1,200,000	\$ 0.00	\$ 4,175,000	\$ 0.00	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
<b>NET COUNTY COST</b>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
<b>SOURCE OF FUNDS:</b> DIF 100%. There are no General Funds used in this project.					<b>Budget Adjustment:</b> No
					<b>For Fiscal Year:</b> 2013/2014

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

APPROVE

BY: *Tina Grande*  
Tina Grande

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

FORM APPROVED COUNTY COUNSEL  
BY: *P. Victor* 6/10/14  
DATE

Departmental Concurrence

- A-30
- 4/5 Vote
- Positions Added
- Change Order

**Prev. Agn. Ref.:** 5/17/11, Item 3-31,  
3/13/12, Item 3-41

**District:** 4/4

**Agenda Number:**

**3-59**

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**FORM 11: Amendment Number 3 to the Engineering Services Agreement for Construction Management Services for the Date Palm Interchange at Interstate 10, 4th/4th District [\$4,175,000]; (Local Funds 100%)**  
**DATE:** June 1, 2014  
**PAGE:** 2 of 3

**BACKGROUND:**

**Summary**

On May 17, 2011 (Agenda Item 3-31), the Board of Supervisors (Board) approved an agreement with Mendoza & Associates to provide construction management services for the reconstruction of the Date Palm Interchange at Interstate 10. The Agreement provided for the construction management, materials testing, construction surveying, and environmental monitoring services. This Board action approved the contract amount of \$2,708,000 and authorized the Director of Transportation to sign amendments for the total not to exceed a contract amount of \$3,114,000. On March 13, 2012 (Agenda Item 3-41), the Board approved Amendment Number 1 to this agreement. This Board action authorized the Director of Transportation to sign amendments for a revised amount not to exceed the contract amount of \$2,978,000. The reduction in the authorized contingency amount resulted from a Post Award Audit by the California Department of Transportation (Caltrans) in which federal guidelines limited the contingency to 10% of the contract, reducing the overall contract amount. On July 7, 2013, the Director of Transportation approved Amendment Number 2 for the total not to exceed contract amount of \$2,975,000, due to minor scope changes and for additional time related to Borrowing Owls discovered living on the southeast quadrant of the Project site, a conflict with an existing gas line and the bridge foundation system which added three months to the contract duration. The Transportation Department is now requesting the approval of Amendment Number 3 to increase the contract in the amount of \$1,200,000 for a revised total contract amount of \$4,175,000.

The interchange construction is now substantially complete and open to full public use, with only punch-list items remaining for the close out of construction. The additional funds required for the construction management of this project are the result of delays encountered during construction that extended the Project completion date by approximately 14 months (original estimated construction duration was 16 months). The delays on the Project were primarily caused by unforeseen circumstances related to the failure of the new tie-back wall system on the north bridge abutment, and challenges encountered in the staging of the Project caused from revising the pavement section on Date Palm Drive from asphalt to concrete, late in the design process. Additionally, the contractor had a difficult time locating an approved material source for the import earthwork required to construct the Project. As a result of these unforeseen circumstances, the construction management consultant spent additional time performing reviews of the construction sequencing, traffic handling and signal plan modifications, performing independent cost estimates, and evaluation of contractor claims. The additional 14 months of construction increased the consultant total project hours since, even during reduced levels of construction operations due to the delays, an appropriate level of construction management oversight was still required to ensure the Project was constructed per State and Federal guidelines and the job site was kept in a safe condition.

Project No. A8-0373 (Date Palm Drive Interchange at Interstate 10), STPLN-5956(196)

**Impact on Residents and Businesses**

The interchange is open and fully operational and has been a very major traffic improvement in the Coachella Valley. This is the fourth major I-10 interchange improvement open to traffic in the Coachella Valley in the last three years. The County Transportation Department also successfully delivered the Indian Canyon and the Gene Autry Trail/Palm Drive interchanges, and Caltrans delivered the Bob Hope/Ramon Road interchange.

**SUPPLEMENTAL:**

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**FORM 11:** Amendment Number 3 to the Engineering Services Agreement for Construction Management Services for the Date Palm Interchange at Interstate 10, 4th/4th District [\$4,175,000]; (Local Funds 100%)  
**DATE:** June 1, 2014  
**PAGE:** 3 of 3

**Additional Fiscal Information**

This amendment to the contract adds \$1,200,000 to the overall construction management contract, to be funded by County DIF funds at this time. The Transportation Department anticipates taking a funding request to CVAG in September 2014, following determination of final construction costs and negotiations of final claims with the contractor, to comprehensively address all project costs. This will include a request to reimburse the County to replace DIF funds that will be used to compensate Mendoza & Associates for work performed. Mendoza has not been paid for this additional work (nor have they paid their subs) for the last 14 months, pending resolution of this contract amendment with County staff, and are due payment. This constitutes full and final compensation to Mendoza & Associates through final project completion and close-out list items.

Given the County's contractual obligations to Mendoza & Associates, it is appropriate that we proceed with this contract amendment now to not incur financial penalty for late payment under our contract.

**Contract History and Price Reasonableness**

The original negotiated contract price in the amount of \$2,708,000 was based on a 16-month construction duration, which has been extended by approximately 14 months. Therefore, the total revised contract amount of \$4,175,000, which is approximately 54% increase above the original contract price, is reasonable considering the contract duration has increased by almost 75%.

1                                   **AMENDMENT NUMBER 3 TO THE AGREEMENT BETWEEN**  
2                                   **THE COUNTY OF RIVERSIDE AND MENDOZA & ASSOCIATES**  
3                                   **FOR**

4                   **THE CONSTRUCTION MANAGEMENT OF THE DATE PALM DRIVE AT INTERSTATE 10 INTERCHANGE**

5 THIS AMENDMENT (hereinafter the "amendment") to an agreement is made and entered into this \_\_\_\_\_  
6 day of \_\_\_\_\_ by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of  
7 California (hereinafter referred to as "COUNTY"), and MENDOZA & ASSOCIATES, hereinafter referred to as  
8 "ENGINEER", for the CONSTRUCTION MANAGEMENT OF THE DATE PALM DRIVE AT INTERSTATE 10  
9 INTERCHANGE PROJECT:

10                                   **RECITALS**

- 11           A. COUNTY and ENGINEER have entered into an agreement entitled THE CONSTRUCTION  
12           MANAGEMENT OF THE DATE PALM DRIVE AT INTERSTATE 10 INTERCHANGE PROJECT between  
13           County of Riverside Transportation Department AND MENDOZA & ASSOCIATES (hereinafter the  
14           "Agreement") on May 17, 2011 (Board of Supervisors [Board] Agenda Item 3-31). The Agreement  
15           provides the terms and conditions, scope of work, schedule, budget, and salary rates for the performance  
16           of professional and technical services necessary to provide construction management services.
- 17           B. The ENGINEER's budget for the AGREEMENT has a "not to exceed" amount of \$2,708,000. However,  
18           the Board action authorized the Director of Transportation to sign amendments for a total amount not to  
19           exceed the contract maximum amount of \$3,114,000.
- 20           C. On March 13, 2012 (Agenda Item 3-41), the Board approved AMENDMENT NUMBER 1 TO THE  
21           ENGINEERING SERVICES AGREEMENT BETWEEN MENDOZA & ASSOCIATES AND THE COUNTY  
22           OF RIVERSIDE. The Board action authorized the Director of Transportation to sign amendments for the  
23           total revised not to exceed contract amount of \$2,978,000.
- 24           D. On July 3, 2013, the Director of Transportation approved AMENDMENT NUMBER 2 TO THE  
25           ENGINEERING SERVICES AGREEMENT BETWEEN MENDOZA & ASSOCIATES AND THE COUNTY  
26           OF RIVERSIDE. The Directors approval revised the not to exceed contract amount to \$2,975,000.
- 27           E. The parties desire to amend the Agreement to amend the ENGINEER's "not to exceed" amount and sub-  
28           consultant allocations as provided under the AGREEMENT (Article VI • Compensation) and Appendix B.
- 29

F. During early May 2012, the contractor was having difficulty securing a location to acquire import borrow earthwork material required on this Project. It was estimated by staff that this delay caused an additional 4- month delay to the Project completion date. During this same time period, the Project encountered challenges in staging caused by revising the pavement structural section on Date Palm Drive from asphalt to concrete late in the design process. This change in the pavement structural section was requested by Cathedral City after a Caltrans 40 year Pavement Life-Cycle Analysis was performed for the Project. Finally, in August of 2012, the tie-back wall on the northern abutment failed. This failure became a controlling operation of work at the end of the project, because it prevented the completion of the interchange loops ramps and various miscellaneous items of roadwork beneath the bridge structure. The contractor is currently completing project punch list items estimated to be complete within the next 2 months.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree as follows:

1. The total amount of the Contract is revised to the not to exceed amount of \$4,175,000 including contingency. ENGINEER, MENDOZA & ASSOCIATES, is to be compensated an amount not to exceed \$4,175,000 inclusive of the following sub-consultants, mark-ups and other direct costs.
2. The sub-consultants listed for ENGINEER SERVICES and their not to exceed amounts in Section 1 of the Basis of Compensation under Article VI • Compensation of the AGREEMENT shall be modified as follows:

	FROM	TO
• MENDOZA & ASSOCIATES	\$1,878,000	\$2,827,000
• SIMON WONG (structural)	\$347,000	\$347,000
• ECORP ENVIRONMENTAL CONSULTING	\$150,000	\$176,000
• MSA CONSULTING (surveying)	\$300,000	\$400,000
• LEIGHTON (material testing)	\$300,000	\$425,000
• EARTHCAM (site camera)	\$0,000	\$0,000

3. Remove the Appendix B of the AGREEMENT and replace it with the attached Appendix B (Amended).
4. Except to the extent specifically modified or amended hereunder, all of the terms, covenants, and

1 conditions of the Agreement shall remain in full force and effect between the parties hereto.

2 IN WITNESS HEREOF, the parties hereto have caused this Amendment to the Agreement to be duly  
3 executed this day and year first written above.

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**APPROVALS**

**COUNTY Approvals**

RECOMMENDED FOR APPROVAL:

 Dated: 6/10/14  
Patricia Romo  
Assistant Director of Transportation

APPROVED AS TO FORM:

 Dated: 6/10/14  
County Counsel

APPROVAL BY THE BOARD OF SUPERVISORS

\_\_\_\_\_ Dated: \_\_\_\_\_

\_\_\_\_\_  
Printed Name  
Chairman, Riverside County Board of Supervisors

ATTEST:

\_\_\_\_\_ Dated: \_\_\_\_\_

\_\_\_\_\_  
Clerk of the Board (Seal)

**ENGINEER Approvals**

ENGINEER:

\_\_\_\_\_ Dated: \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title