

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

302



**FROM:** TLMA – Transportation Department

**SUBMITTAL DATE:**  
October 16, 2015

**SUBJECT:** Terminate Construction Contract with Cooley Construction, Inc., of Hesperia CA. for Van Buren Street Reconstruction and Sidewalk Project, Adjacent to the City of Indio. 4<sup>th</sup> District; [\$12,635]; 100% Local Funds

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

1. Finds that the County of Riverside Transportation Department (Transportation Department) has reasonable grounds to terminate the Van Buren Street Reconstruction and Sidewalk Project construction contract with Cooley Construction, Inc. of Hesperia, CA; and
2. That Transportation Department and Cooley Construction have negotiated in good faith but were unable to agree on cost increases beyond the contract bid amount to permit continuance of the contract; and
3. That the Transportation Department may without prejudice to any other right or remedy, terminate the construction contract; and
4. Authorizes the Director of Transportation and Land Management Agency to execute the termination letter and pay Cooley Construction in the amount of \$12,635 for costs incurred.

Departmental Concurrence

*Patricia Romo*  
Patricia Romo  
Assistant Director of Transportation

*Juan C. Perez*  
Juan C. Perez  
Director of Transportation and Land Management

JCP:jjr:rr

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (Per Exec. Office)
<b>COST</b>	\$ 12,635	\$ 0	\$ 12,635	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0	

**SOURCE OF FUNDS:** Gas Tax/HUTA (100%) There are no General Funds used in this project. **Budget Adjustment:** No.  
**For Fiscal Year:** 15/16

**C.E.O. RECOMMENDATION:** APPROVE  
BY: *[Signature]*  
County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

**Ayes:** Jeffries, Tavaglione, Washington, Benoit and Ashley  
**Nays:** None  
**Absent:** None  
**Date:** January 12, 2016  
**xc:** Transp.

Kecia Harper-Ihem  
Clerk of the Board  
By: *[Signature]*  
Deputy

**Prev. Agn. Ref.:** 08/05/14, Item 3-42;  
10/28/14, Item 3-26 **District:** 4 **Agenda Number:**

FORM APPROVED COUNTY COUNSEL  
BY: *[Signature]* DATE: 10/16/15  
MARSHAL VICTOR

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

**3-16**

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

**FORM 11:** Terminate Construction Contract with Cooley Construction, Inc., of Hesperia CA. for Van Buren Street Reconstruction and Sidewalk Project, adjacent to the City of Indio. 4<sup>th</sup> District; [\$12,635]; 100% Local Funds

**DATE:** October 16, 2015

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**BACKGROUND:**

**Summary**

On October 28, 2014 (Agenda Item 3-26), Cooley Construction, Inc., of Hesperia CA was awarded the construction contract for the Van Buren Street Reconstruction and Sidewalk Project. The project included reconstruction of the easterly half of Van Buren Street, adjacent to the City of Indio and Martin Van Buren Elementary School, between 48<sup>th</sup> Avenue and Manila Avenue in the Coachella Valley. In addition to the reconstruction, the street will be widened, new sidewalk and access ramps added, and water meters and hydrants were to be relocated. The project construction was planned to begin mid-December 2014 so the major grading could be done when school was out for winter break.

Just prior to construction, it was discovered that some of the water facilities needing relocation were owned by a small neighborhood water company, Carver Tract Mutual Water Corporation, and not just the Indio Water Authority as originally thought, Carver Tract Mutual Water Corporation serves less than 200 homes and did not have the staff or expertise needed to prepare and process the documents necessary for the relocations to proceed. To allow time to negotiate the water facility relocations with Carver Tract Mutual Water Corporation, the Notice to Proceed with construction was not issued to Cooley Construction, Inc.

On April 1, 2015, the letter of agreement with Carver Tract Mutual Water Corporation was signed and the utility relocations were resolved.

On April 10, 2015, Cooley Construction, Inc. requested an additional \$93,620.00 for the Van Buren Street Reconstruction and Sidewalk construction contract. This amounted to a 22.3% increase over the contract base bid of \$419,283.00, and no changes to the scope of work had been made. Cooley Construction, Inc. also indicated that they had begun other projects and were unable to provide a definite start date.

There have been several meetings and discussions with the President of Cooley Construction, Inc. and the additional cost request has not been agreed to by the Transportation Department. Cooley Construction, Inc. currently has several other construction contracts and is unable to provide a firm start date or schedule.

The Notice to Proceed with construction was never issued and Cooley Construction, Inc. has not moved any equipment or materials to the site and has not performed any construction activities to date.

Cooley Construction, Inc. has agreed to the termination of the contract and has submitted a statement of costs incurred in the amount of \$12,635. The project costs include site meetings, traffic control plans, and project specific signage.

A request to rebid this project is a separate item on this agenda.

Project Numbers: C1-0613 and C4-0049

**Impact on Residents and Businesses**

The local residents and business owners were provided construction start dates but have been frustrated by the delays. The contract termination will allow re-advertisement and allow determination of a firm construction start date for the public.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

The project is funded by Gas Tax (ABX8-9 Mar 2010 New HUTA), SB 821 Local Transportation Funds, and additional funding by Indio Water Authority and Carver Tract Mutual Water Corporation for water facility relocations. Since no construction work was performed, Gas Tax is the only qualifying funds for the termination cost. There are no General Funds used in this project.

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**Contract History and Price Reasonableness**

When the original project bid, six bids were received on August 27, 2014. The base bids ranged from \$419,283 to \$522,529. The lowest three bids were within 2% of each other. There are only minor changes to the construction items and it is anticipated that the future project bids will be close to the original estimates.

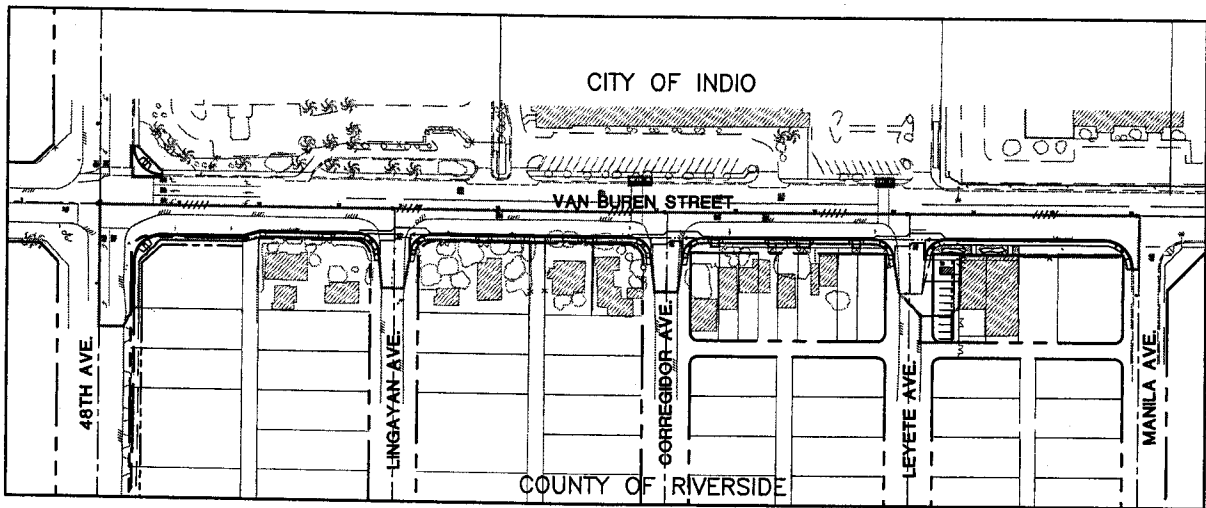
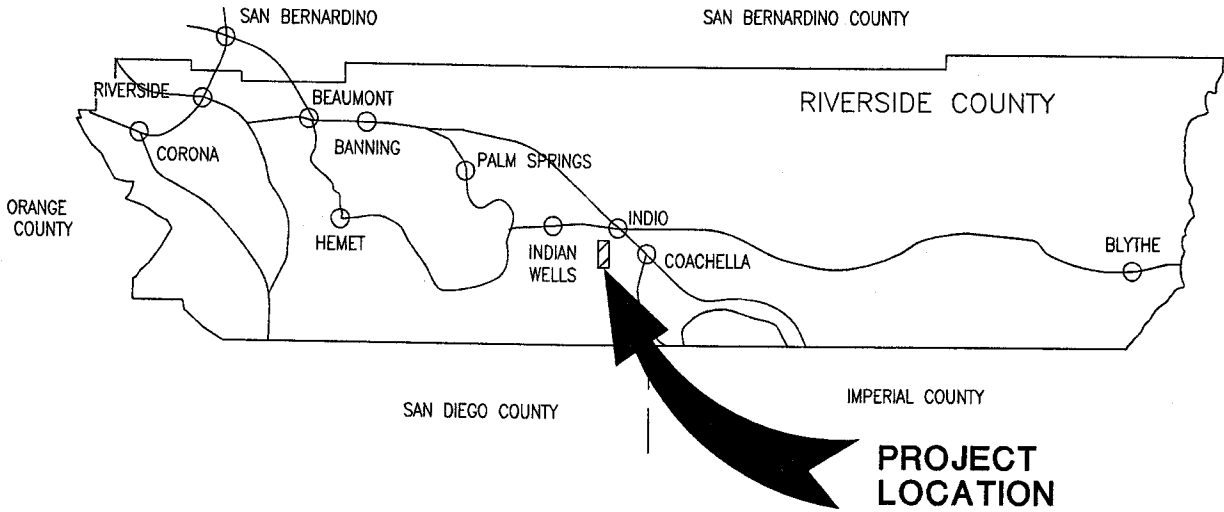
**ATTACHMENT:**

Vicinity Map

Contractor Statement of Cost Incurred

COUNTY OF RIVERSIDE  
TRANSPORTATION DEPARTMENT

VAN BUREN STREET  
STREET RECONSTRUCTION AND SIDEWALK PROJECT  
48TH AVENUE TO MANILA AVENUE  
ADJACENT TO THE CITY OF INDIO  
PROJECT No. C1-0613, C4-0049



NO SCALE

VAN BUREN STREET  
VICINITY MAP

PROJECT LENGTH = 1,300 LF.  
TOWNSHIP 7S, SECTION 35, RANGE 23E.  
2009 THOMAS GUIDE PG 5590

