

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works *[Signature]*

BOARD AGENDA # *C-4

Urgent Routine

AGENDA DATE November 30, 2010

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Revise the Project Budget for the Ladd Road at McHenry Avenue Intersection Improvement Project

STAFF RECOMMENDATIONS:

1. Approve the revised budget for the Ladd Road at McHenry Avenue Intersection Improvement Project in the amount of \$1,806,840.97 which includes an increase in contingency funds in the amount of \$53,831.27.
2. Authorize the Director of Public Works to execute a Contract Change Order (CCO) with Granite Construction Company for an additional \$53,831.27 and to sign necessary documents.

FISCAL IMPACT:

Costs associated to assure the delivery of this project in the amount of \$1,806,840.97 (\$1,484,554.70 contract, \$322,286.27 Construction Engineering, which includes quality assurance, materials testing, and contingencies) will be satisfied with funds available from Regional Transportation Impact Fees (RTIF). There are sufficient appropriations in the project account to accommodate the recommended increase.

BOARD ACTION AS FOLLOWS:

No. 2010-721

On motion of Supervisor O'Brien, Seconded by Supervisor Monteith
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

[Signature: Christine Ferraro]

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Revise the Project Budget for the Ladd Road at McHenry Avenue Intersection Improvement Project

DISCUSSION:

On June 30, 2009 the Board of Supervisors awarded the construction contract to Granite Construction Company for the Ladd Road at McHenry Avenue Intersection Improvement Project. Granite Construction Company was deemed the lowest responsive bidder with a bid of \$1,484,554.70. The engineer's estimate for the budget of the project was \$2,432,095.35.

Per the project specifications, there is to be an adjustment in compensation for any paving asphalt oil price index fluctuations. Paving operations for the project took place in June and August of 2010. Due to the escalation of the paving asphalt oil price index between the time of bid in May of 2009 and the date of actual paving in June and August of 2010, the County is required to compensate the contractor for the additional cost of paving asphalt oil. Using the standard Caltrans (California Department of Transportation) calculations for price index adjustments, it has been determined that the County owes Granite Construction an additional \$53,831.27 in compensation. The total cost of paving for the project was about \$544,000. Therefore, the additional cost in paving asphalt oil is approximately 10% of the total cost of paving for the project.

Public Works staff is requesting authorization for the Public Works Director to approve a contract change order in the amount of \$53,831.27.

The project was completed on October 28, 2010 with final acceptance by the County forthcoming. Work on the project was to begin in late July 2009, but utility relocations delayed the anticipated start date to mid-October of 2009. At that time, the owner of Al's Furniture, Rick Walker, requested that the Department further delay the project to the spring of 2010 as to not impact his business during the holiday season. Therefore, the project did not break ground until March of 2010, during which time the price of paving asphalt oil increased in value.

POLICY ISSUES:

This action is consistent with the Board's priorities of providing A Safe Community, A Healthy Community and A Well Planned Infrastructure System through the reconstruction of this major intersection.

STAFFING IMPACT:

There is no staffing impact associated with this item.

CONTACT PERSON:

Matt Machado, Public Works Director. Telephone: 209-525-4130.

CB:la

L:\ROADS\9709 - Ladd Road at McHenry Ave\Construction Division\Intersection Project\Board Items\Increase Contingencies- Final

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STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION

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Sheet 1 of 1

CONTRACT CHANGE ORDER

CEM-4900 (REV 05/2001) CT# 7541-3501-0

Change Requested by: engineer contractor

CCO NUMBER	SUPL. NUMBER	CONTRACT NUMBER	ROAD	FEDERAL NUMBER(S)
7		2009-2	Ladd at McHenry Intersection	

TO
Granite Construction Company contractor

You are directed to make the following changes from the plans and specifications or do the following described work not included in the plans and specifications for this contract. **NOTE: This change order is not effective until approved by the engineer.**

Description of work to be done, estimate of quantities and prices to be paid. (Segregate between additional work at contract price, agreed price and force account.) Unless otherwise stated, rates for rental of equipment cover only such time as equipment is actually used and no allowance will be made for idle time. The last percentage shown is the net accumulated increase or decrease from the original quantity in the engineer's estimate.

Contract Change Order Number 7 (CCO7) is needed in order to provide for "Compensation Adjustment for Price Index Fluctuations" per Section 24: "ASPHALT CONCRETE" of the Contract.

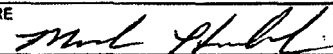
Section 24: "ASPHALT CONCRETE" of the contract has provisions for compensation adjustments for price index fluctuations of oil prices. The California Statewide Paving Asphalt Index is determined each month by the State using the median of posted crude oil prices in effect on the first business day of the month as posted by Chevron, Exxon Mobil and Union 76 for the Buena Vista, Huntington Beach, and Midway Sunset fields. The compensation for oil in hot mix asphalt per section 24 is increased or decreased when the price index number at time of contract award fluctuates more than five percent (5%) when compared to the price index number at the time work is performed using hot mix asphalt. The contract award for this project was in May of 2009, with a California Paving Asphalt Price index of number 261.0. Work using hot mix asphalt for this project occurred in June of 2010 and August of 2010 with respective California Paving Asphalt Price index numbers of 360.8 and 417.2. Since these numbers show a increase of more than 5%, the contract requires a increase in the compensation for the oil in the hot mix asphalt.

The price increase for the oil was determined per Section 24: "ASPHALT CONCRETE" of the contract. The calculated price increase is \$53,831.37. See RE file for breakdown.


Estimated Cost: Increase Decrease \$53,831.37

By reason of this order the time of completion will be adjusted as follows: 0 working days shall be added to the contract


SUBMITTED BY

SIGNATURE 	(PRINT NAME & TITLE) Mark Hamblin, Associate Civil Engineer	DATE 11/14/10
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APPROVAL RECOMMENDED BY

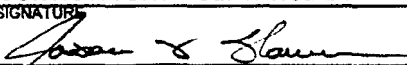
SIGNATURE 	(PRINT NAME & TITLE) Chris Brady, Senior Civil Engineer	DATE 12/3/10
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ENGINEER APPROVAL BY

SIGNATURE 	(PRINT NAME & TITLE) Matt Machado, Director of Public Works	DATE 12/3/10
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We the undersigned contractor, have given careful consideration to the change proposed and agree, if this proposal is approved, that we will provide all equipment, furnish the materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the prices shown above. **NOTE: If you, the contractor, do not sign acceptance of this order, your attention is directed to the requirements of the specification as to proceeding with the ordered work and filing a written protest within the time therein specified.**

CONTRACTOR ACCEPTANCE BY

SIGNATURE 	(PRINT NAME & TITLE) Jason Slavens, Project Engineer	DATE 11-16-10
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