

CITY OF DANA POINT
AGENDA REPORT

Reviewed By:	
DH	X
CM	X
CA	

DATE: MARCH 12, 2003

TO: CITY MANAGER/CITY COUNCIL

FROM: ROBERT A. WARREN, DIRECTOR OF PUBLIC SERVICES AND ENGINEERING SERVICES

SUBJECT: APPROVAL OF CHANGE ORDER NUMBER THREE FOR THE CONSTRUCTION OF THE DEL OBISPO LANDSCAPED MEDIAN PROJECT – STONEHILL DRIVE TO PACIFIC COAST HIGHWAY

RECOMMENDED ACTION:

That the City Council (1) approve Contract Change Order Number Three to Orion Contracting, Incorporated for the Del Obispo Landscaped Median Project for a not-to-exceed fee of \$112,922.70; (2) approve the transfer of \$110,000 from the Concrete Repair and Replacement Project FY 02/03, Account Number 11-99-30-1165-311, to the Del Obispo Landscaped Median Project, Account Number 11-99-30-1159-311, to fund the change order and the additional contingency.

ISSUES:

The Del Obispo Landscaped Median Project is in construction at this time. Due to field conditions and overruns on planned quantities, two change orders have been issued to date and an additional change order is now necessary to complete the project. The asphalt concrete pavement quantity estimated by the design engineer was inaccurate. Due to the need to repair Del Obispo Street with the installation of the landscaped median, City staff recommends that the City Council consider approving change order number three.

BACKGROUND:

The Street and Highway Beautification Subcommittee, through City staff, worked with the Capital Pacific Holdings (CPH) design team to complete a conceptual design for the Del Obispo Landscaped Median Project – Stonehill Drive to Pacific Coast Highway, which was approved by the Council on November 27, 2001. The CPH design team included Ann Christoph for landscape architecture, MDS Consulting for civil engineering, and Linscott Law and Greenspan for traffic engineering.

The Council considered this item again on February 26, 2002 and approved the addition of sidewalk on Del Obispo, just north of Pacific Coast Highway, as part of the approved conceptual design.

Capital Pacific Holdings (CPH) was required to expend \$500,000 for the design and construction of the landscaped median as a condition of City Council adoption of the EIR for the Capistrano By The Sea planned residential development. An agreement, detailing the terms and conditions of the required work, was approved by the City Council on August 8, 2000.

An amendment to the CPH agreement was approved by the City Council on August 13, 2002. The amendment resulted in a payment to the City of \$450,000 by CPH along with the completion of the design, which was done at a cost to CPH of over \$150,000. The City agreed to accomplish the construction of the median, in exchange. CPH will assist the City during the construction of the project, as well.

Staff advertised and received construction bids for the Del Obispo Landscaped Median Project on October 29, 2002. Based on the bid results, the City Council awarded a construction contract to Orion Contracting, Incorporated.

DISCUSSION:

The construction of the Del Obispo Landscaped Median Project has been underway since December 2002. The project involves parkway improvements along with the construction of a landscaped median on Del Obispo Street between Stonehill Drive and Pacific Coast Highway.

The City approved two change orders to date for additional work which included storm drain, fencing, retaining wall and other improvements not included in the contract documents. The total of those two change orders was \$44,417.06 of the total \$72,957.47 in available contingency funds. The remaining contingency amount is \$28,540.41 for the project.

The necessary asphalt concrete pavement repairs required for the project have exceeded the bid quantity for that item. As such, there is a need for additional funding to repair Del Obispo Street properly. It is important to note that the work has been completed by Orion Contracting due to the need to open Del Obispo again to its full capacity. Therefore, City staff recommends that the City Council consider approval of Change Order Number 3 to Orion Contracting, Incorporated for a not-to-exceed amount of \$112,922.70 to fund the work that was completed.

NOTIFICATION/FOLLOW-UP:

Orion Contracting, Incorporated

STRATEGIC PLAN IMPLEMENTATION:

In compliance with the strategic plan initiative to maintain, modernize and beautify the City's infrastructure and neighborhoods, this project's goal is to construct a landscaped median on Del Obispo Street.

FISCAL IMPACT:

The current project budget is as follows:

General Fund FY 2001/2002:	\$ 489,100.00
Capital Pacific Holdings Payment:	<u>\$ 450,000.00</u>
TOTAL CURRENT PROJECT BUDGET:	\$ 939,100.00

The following costs have been encumbered on the project to date:

Project Management	\$ 10,966.00
CR Reprographics, Printing	\$ 2,100.00
Construction	\$ 729,574.70
Construction Management	\$ 89,677.00
Materials Testing, GMU	\$ 11,550.00
LLG Engineers, Construction Support	\$ 3,000.00
MDS Consulting, Construction Support	\$ 10,000.00
Change Order 1 (Contingency Dollars)	\$ 27,397.69
Change Order 2 (Contingency Dollars)	\$ 17,019.37
Remaining Contingency	\$ 28,540.41
First American Title	\$ 800.00
Street Light Relocation	\$ 2,434.00
Notification List	<u>\$ 1,500.00</u>
TOTAL ENCUMBERED COSTS:	\$ 934,559.17
(Per Recommended Action)	

Additional cost as a result of the recommended action are as follows:

Change Order Number 3	\$ 112,922.70
TOTAL ADDITIONAL PROJECT COSTS	\$ 112,922.70

Based on the additional cost of the recommended action and the remaining budget of less than \$5,000, staff recommends that Council approve the transfer of \$110,000 from the Concrete Repair and Replacement Project FY 02/03, Account Number 11-99-30-1165-311, to the Del Obispo Landscaped Median Project, Account Number 11-99-30-1159-311, to fund the change order and the additional contingency.

ALTERNATIVE ACTIONS:

1. Other alternatives as deemed appropriate by City Council.

ACTION DOCUMENTS:

None

SUPPORTING DOCUMENTS:

None