



## Board Report

---

**File #: 13-0861, Version: 1**

---

- a. Approve Supplement 1 to Change Order No. 8 and Change Order No. 10 and authorize an additional contingency of 10% to the contract with Granite Construction Company, for the Blackie Road Safety Improvements, Project No. 13-140665 & 13-142265, State Project No. EA 05-930075L & EA 05-930155L, Federal Aid Project No. HRRRL-5944(086) & HRRRL-5944(091) (2/3 vote); and
- b. Authorize the Director of Public Works to execute contract change orders where the overall total value of change orders does not exceed 20% of the original contract amount, and do not significantly change the scope of work.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Approve Supplement 1 to Change Order No. 8 and Change Order No. 10 and authorize an additional contingency of 10% to the contract with Granite Construction Company, for the Blackie Road Safety Improvements, Project No. 13-140665 & 13-142265, State Project No. EA 05-930075L & EA 05-930155L, Federal Aid Project No. HRRRL-5944(086) & HRRRL-5944(091) (2/3 vote); and
- b. Authorize the Director of Public Works to execute contract change orders where the overall total value of change orders does not exceed 20% of the original contract amount, and do not significantly change the scope of work.

**SUMMARY:**

The proposed recommendations are a follow up to the August 5, 2013 memorandum to the Board of Supervisors which noted approval by Director of Public Works of Supplement 1 to Change Order No. 8 and Change Order 10 for the Project. This memorandum is attached for reference. Since approval of these change orders exceeded the contract contingency amount of \$146,316, Board approval is required. In order to fully fund these changes orders and potential future change orders, the Project contingency needs to be increased from 10% to 20% or an additional \$146,316.

On August 28, 2012, the Board of Supervisors awarded a construction contract in the amount of \$1,463,157 to Granite Construction Company for the Project. As part of this action, the Board authorized a 10% contingency in the amount of \$146,316 to provide funding for change orders and gave the Director of Public Works authority to approve change orders up to the contingency amount.

The Project began in October 2012 with tree clearing operations while road construction activities started in May 2013. Contract completion is currently scheduled for September 2013. During the course of construction, several design and environmental issues arose that required the approval of nine change orders as outlined in the August 5, 2013 memorandum to the Board. The total amount of these nine change orders is \$133,530.

The purpose of the August 5<sup>th</sup> memorandum was to notify the Board that the authorized contingency for the project had been exceeded with the Director of Public Works' approval of Supplement 1 to Change Order No. 8 and Change Order No. 10. The memorandum further detailed the scope and cost of these change orders and

noted that these approvals were taken in compliance with the Board-approved Contract Change Order Procedure for Public Works Construction Contracts, date August 28, 2001. This Procedure authorizes the Director of Public Works to approve change orders that exceed the approved contingency amount when a delay in approval would “*adversely affect the County’s interest in the progress of the work*”.

With the approval of Supplement 1 to Changer Order No. 8 and Changer Order 10, the total amount of approved change orders for the Project is \$193,530. In order to fund the change orders approved to date and provide an allowance for possible future change orders, an additional contingency of 10% or \$146,316 is being requested.

OTHER AGENCY INVOLVEMENT:

The Resource Management Agency - Public Works staff worked closely with the Caltrans Local Assistance Office to obtain the additional funding for the Project.

FINANCING:

There is no financial impact to the General Fund. This action would increase project contingencies from \$146,316 to \$292,632. This action would also increase the Road Fund contribution by \$146,316 to a total amount of \$177,836. The anticipated savings in the amount of approximately \$150,000 in Road Fund from the Harris Road Overlay project will be used to cover the additional contribution required for this project. There are sufficient funds in the FY 2013-14 Adopted Budget in Fund 002 Unit 8195, to fund this increase.

The Project is funded by High Risk Rural Road (HRRR) Funds under the Federal Aid program for \$1,800,000, Regional Surface Transportation Program (RSTP) Funds of \$662,817, Traffic Impact Fees of \$2,535, Proposition 1B Funds of \$350,824 and Road Fund (Fund 002 Unit 8195) in a current amount of \$31,520.

Prepared by: Jonathan L. Pascua, P.E., Senior Civil Engineer, (831) 755-8963

Approved by:

---

Robert K. Murdoch, P.E., Director of Public Works

Approved by:

---

Benny J. Young, RMA Director

Dated: August 19, 2013

Attachments: Memorandum to Board of Supervisors dated August 5, 2013; Project Budget; Location Map (Attachments on file with the Clerk of the Board)