



City Council Staff Report

Date: May 17, 2017 CONSENT CALENDAR

Subject: ACCEPTANCE OF THE TAHQUITZ CREEK TRIANGLE GATEWAY,
CITY PROJECT NO. 14-16

From: David H. Ready, City Manager

Initiated by: Engineering Services Department

SUMMARY

Formal City Council acceptance of the Tahquitz Creek Triangle Gateway, City Project No. 14-16, is required to document the completion of the public works improvement, and to allow the City's filing of a Notice of Completion with the Riverside County Recorder in accordance with Section 9200 of the California Civil Code.

RECOMMENDATION:

- 1) Accept the public works improvement identified as the Tahquitz Creek Triangle Gateway, City Project No. 14-16, as completed in accordance with the plans and specifications; and
- 2) Authorize the City Engineer to execute and file for recordation with the Riverside County Recorder a Notice of Completion for the Tahquitz Creek Triangle Gateway, City Project No. 14-16.

STAFF ANALYSIS:

On October 7, 2015, the City Council awarded a construction contract to Golden Vista Construction Inc., dba Golden Valley Construction, (GVC), in the amount of \$346,141 for the Tahquitz Creek Triangle Gateway, City Project No. 14-16, (Project). The scope of the Project consisted of removing existing surface improvements and constructing a new underground storm drain system, concrete bicycle path, curb and gutter, sidewalk, modifying curb ramp, modifying landscape and lighting, relocating traffic signal equipment, and minor signing and striping adjustments. An aerial map of the site is identified on the subsequent page.



Location Map

Throughout construction of the Project two contract change orders were approved as follows:

- Construction Contract Change Order 1 (CCO1) in the amount of \$24,652.50 was approved by the City Manager on July 25, 2016, to include additional construction items required by the Riverside County Flood Control District as part of the permit approval process. Items included reinforcing steel for the concrete bicycle path and root barriers for palm trees.
- Construction Contract Change Order 2 (CCO2) for a credit in the amount of (\$12,629.25) was approved by the Assistant City Manager on October 24, 2016, as a final balancing change order to adjust contract bid item quantities and unused field order item for the Project.

The final cost of the Project was increased by \$12,023.25 from the original awarded contract amount of \$346,141 for a final contract amount of \$358,164.25; a copy of CCO1 and CCO2 are included as **Attachment 1**.

Stop Payment Notices

Several stop payment notifications by GVC's subcontractors and/or suppliers were submitted to the city during the period of construction. Such stop payment notice claims against GVC varied in labor and in compensation for the work performed to the Project. Some of the claimants have notified the city to release a particular stop payment notice as payment has been paid. In addressing unsettled stop payment notice claims, the city

may withhold payment from GVC billing in accordance with the Special Provisions, Section 9-3.2.5 “Withholding of Payment,” Subsection (i):

“The City may withhold payment on account of an Application for Payment to the extent necessary to protect the City from loss because of:

i) Stop payment notices, wage orders, or other withholdings required by Applicable Law.

When all the above reasons for withholding payment are removed, payment shall be made for amounts previously withheld.”

At this time, there is one outstanding stop payment notice claim; 1). MSL Electric in the amount of \$10,480.00. The city intends to withhold this amount from GVC’s final payment.

Unfinished Construction Work

On September 22, 2016, staff determined the Project substantially complete with the exception of two contract bid items incomplete; installation of in-ground landscape lighting and replacement of planting. Staff attempted to contact the Contractor on several occasions to complete the work, but was informed by a GVC employee that the company had filed for bankruptcy. As a result, staff has coordinated with the Department of Maintenance and Facilities to retain a third party vendor to complete the unfinished work. Staff will document the expenditures of the vendor with the intent to deduct all incurred costs from GVC’s final payment.

Despite GVC’s stop payment notices and unfinished work, staff recommends that the City Council accept the Project as required by Section 9200 of the California Civil Code, and authorize the City Engineer to file and record a Notice of Completion within 15 days of the City Council’s action. A copy of the Notice of Completion to be submitted to the County is included as **Attachment 2**.

ENVIRONMENTAL IMPACT:

Section 21084 of the California Public Resources Code requires Guidelines for Implementation of the California Environmental Quality Act (“CEQA”). The Guidelines are required to include a list of classes of projects which have been determined not to have a significant effect on the environment and which are exempt from the provisions of CEQA. In response to that mandate, the Secretary for Resources identified classes of projects that do not have a significant effect on the environment, and are declared to be categorically exempt from the requirement for the preparation of environmental documents. In accordance with Section 15301 “Existing Facilities,” Class 1 projects consist of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities; therefore, the Tahquitz Creek Triangle Gateway is considered categorically exempt from CEQA, and a Notice of Exemption has been prepared and filed with the Riverside County Clerk.

FISCAL IMPACT:

In Fiscal Year 2013/14, an initial appropriation of \$300,000 was budgeted for the project through Measure J Capital Project Fund (Fund 260). An additional appropriation of \$165,974 in Fiscal Year 2015/16 was funded through the Measure J Capital Project Fund to facilitate award of the construction contract to GVC, including construction support/administration services. On July 6, 2016, the City Council approved a transfer of \$37,982 from the Measure J Capital Project Fund to facilitate CCO1 and provide additional budget for contingencies. Since then, a final appropriation of \$50,000 was funded through Capital Projects Fund (Fund 261). A total of \$553,956 has been appropriated for the Project to date.

Table 1 below is a summary of the total costs incurred for the Project.

Phase	FY 13/14 Expenditure	FY 14/15 Expenditure	FY 15/16 Expenditure	FY 16/17 Expenditure	Final Cost
Administration		\$2,969.07	\$6,048.22		\$9,017.29
Design	\$6,750.00	\$62,136.45	\$16,595.77		\$85,482.22
Inspection			\$1,620.19	\$12,998.93	\$14,619.12
Construction Contract			\$137,734.80	\$186,215.39	\$323,950.19
Contract Change Orders				\$12,023.25	\$12,023.25
Total Cost	\$6,750.00	\$65,105.52	\$161,998.98	\$211,237.57	\$445,092.07

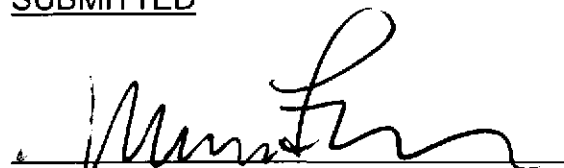
The Project was funded through the following sources as shown in Table 2:

Fund Name	Account	Actual
Measure J	260-4500-59447	\$503,956.00
Capital Projects	261-4491-59447	\$50,000.00
Total Expenditures for Project		\$445,092.07
Project Budget		\$553,956.00
Remaining Balance		\$108,863.93

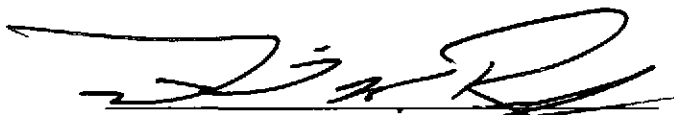
The City is holding a final billing of \$34,214.06 inclusive of retention for \$17,908.21 for Golden Valley Construction pending acceptance of the improvements and filing of the Notice of Completion with the County Recorder's office. Staff recommends deducting the amount owed in stop payment notices and costs sustained by third party vendor prior to releasing final payment and retention to GVC.

The Finance Department will add the cost of this project to the City's fixed asset system to include the creation of these assets in compliance with Governmental Accounting Standard Board (GASB) 34 *Standards for Financial Reporting of Infrastructure Assets*.

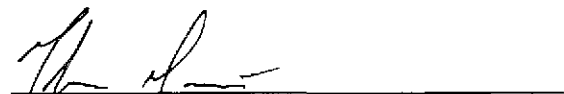
SUBMITTED



Marcus L. Fuller, MPA, P.E., P.L.S.
Assistant City Manager



David H. Ready, Esq., Ph.D.
City Manager



Thomas Garcia, P.E.
City Engineer

Attachments:

1. Change Orders
2. Notice of Completion

Attachment 1



**CITY OF PALM SPRINGS
CONTRACT CHANGE ORDER**

To: Golden Valley Construction
200 Executive Dr
Palm Springs, CA 92262
Tel: (760) 322-0010
Fax: (760) 322-0020

Date: June 21, 2016
14-16
Project: Tahquitz Creek Triangle Parcel
Change Order No: 1 (one)
Purchase Order: 16-0601
Account No: 260-4500-59447

Attn: Mike Honz

This CCO No. 1 Includes new construction items required by Riverside County Flood Control District

New Items	Description	Quantity	Cost Per Unit	Total Cost
A	Install #4 Re-Bar 18" On Center within PCC Bike Path	16,650 Square Foot	\$1.25	\$20,812.50
B	Install Root Barriers Around Trees	60 Each	\$64.00	\$3,840.00
			TOTAL AMOUNT	\$24,652.50

Reasons for Extra Work:

Portions of this project are within the right of way of Riverside County Flood Control and Water Conservation District. New items A and B were conditions required as part of the permit approval process.

New Items:

Item A: Size #4 reinforcing steel will be added to the concrete bicycle path in a 18" x 18" grid. The Contractor will provide and install the reinforcing steel at a unit cost of \$1.25/Square Foot of PCC Concrete placed.

Item B: Riverside County Flood Control and Water Conservation District has required that root barriers be provided and installed around all new and relocated trees. The Contractor will provide and install polypropylene root barriers to a minimum depth of 36 inches at the unit cost of \$64.00/for each tree.

Changes to Contract Time:

5 additional working days will be added to the contract for the completion of items A and B.

**DUPLICATE
ORIGINAL**
07

CP 14-16 Tahquitz Creek Triangle Parcel
Contract Change Order No. 1
June 21, 2016
Page 2

Source of Funds:

Funds are available in the following account : 260-4500-59447


Summary of Costs:

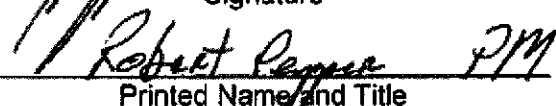
Original Contract Amount:	\$346,141.00	Original Completion	30 Working Days
This Change Order:	\$24,652.50	Days Added	5
Revised Contract Amount:	\$370,793.50	Revised Completion	35 Working Days

**** SIGNATURES ON NEXT PAGE ****

I have received a copy of this Change Order and the above AGREED PRICES are acceptable to Contractor

Golden Valley Construction

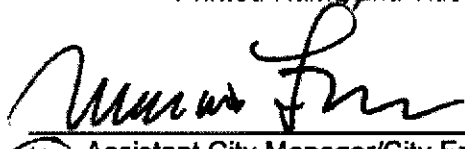


Signature
7-11-16
Date


Printed Name and Title

City of Palm Springs

Recommended By:




(6L) Assistant City Manager/City Engineer
7/20/16
Date

Approved By:



David H. Ready, City Manager
7.25.16
Date

Attest By:



James Thompson, City Clerk
07/25/2016
Date

Distribution:

Original Conformed Copy:

Contractor (1)
City Clerk (1)

Conformed - File Copy:

Engineering Pay File (1)
City Project File (1)
Purchasing (1)
Finance (1)

APPROVED BY CITY MANAGER
ntc b24 b50 50 AB771



CITY OF PALM SPRINGS CONTRACT CHANGE ORDER

To: Golden Valley Construction
200 Executive Dr
Palm Springs, CA 92262

Date: October 7, 2016
14-16
Project: Tahquitz Creek Triangle Parcel
Change Order No: 2 (Two)
Purchase Order 16-0601
Account No. 260-4500-59447

Attn: Mike Honz

This Contract Change Order No. 2 makes adjustments to contract bid items and CCO #1 items that were more or less than the original estimate and adds two new items.

Adjustments to Bid Schedule and Change Order 1:

Bid Item No.	Description	Units	Price	Total
6	Remove Existing PCC C&G	+8 L.F.	\$8.00	\$64.00
8	Remove Existing Sidewalk	+803 SF	\$1.00	\$803.00
9	Hot Mix Asphalt	+13.44 TON	\$125.00	\$1,680.00
10	Crushed Aggregate Base	+23.40 TON	\$35.00	\$819.00
11	Construct Type A4 C&G	+4 LF	\$28.00	\$112.00
12	Construct Type A3 C&G	-17 LF	\$22.00	-\$374.00
13	Construct Type A1 C&G	-9 LF	\$15.00	-\$135.00
14	Construct Type C Curb Ramp	+1 EA	\$2,500.00	\$2,500.00
15	Construct 4" PCC Sidewalk	+14 SF	\$5.00	\$70.00
16	Construct 6" PCC Bike path	+437 SF	\$6.50	\$2,840.50
17	Construct PCC U-Channel	+12 LF	\$75.00	\$900.00
27	Field Orders	Lump Sum	-\$25,000.00	-\$25,000.00
CCO1-A	Install #4 Re-Bar 18" O/C	+437 SF	\$1.25	\$546.25

Subtotal

-\$15,174.25

**DUPLICATE
ORIGINAL**

New Items:

Item	Item	Quantity/Bid Price	Total
CCO2-C	Install Deep Root Bubblers	16 EA @ \$80.00/EA	\$1,280.00
CCO2-D	Provide and Install 8 Tons	Lump Sum/Agreed Price	\$1,265.00

Subtotal: \$2,545.00

Total Change Order Amount: -\$12,629.25

Reasons for Changes:

CCO2-C: 16 existing trees that were originally scheduled to be removed were retained and new irrigation including deep root bubblers were installed adjacent to each tree at the agreed price of \$80.00 Each.

CCO2-D: 8 Tons of additional gravel was installed along North Riverside Drive between the newly constructed sidewalk and the RCFC channel at the Lump Sum/Agreed Price of \$1,265.00.

Bid Schedule Items 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 27 and CCO1-A were more or less than the original estimates in the quantities indicated and are being adjusted to the actual quantities required to complete the project.

Changes to Contract Time:

A total of 27 working days have been added to the project. 5 days were added for additional work indicated in change order No. 1. 2 days were added for the relocation of the pedestrian push button pole at Sunny Dunes and South Palm Canyon. 5 days were added for delays related to the re-alignment of curb and gutter on Riverside Drive. 2 days were added for the delivery and placement of additional landscape gravel. 2 days were added for the relocation of a palm tree at Parks Department request. 4 days were added for delays related to project Landscape Architect availability for review of final grade and selection of palm trees. 3 days were added for additional tree bubblers (CCO2-C). 2 days were added for installation of tree root barriers. 2 days were added for the construction of additional sidewalk (CCO1-A).


Source of Funds:

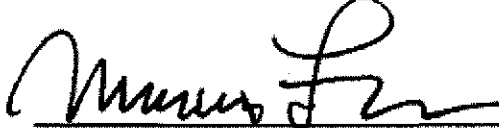
Funds will be deposited in the following account: 260-4500-59447


Summary of Costs:

Original Contract Amount:	\$346,141.00	Start Date:	6-27-16
Previous Change Order Amount:	\$24,652.50	Days Added	27
This Change Order Amount:	-\$12,629.25		
Revised Contract Amount:	\$358,164.25	Revised Completion	9-9-16

I have received a copy of this Change Order and the above AGREED PRICES are acceptable to Contractor

Golden Valley Construction  _____ 10-20-16
Signature Date
Robert J. Pepper P.M.
Printed Name and Title

City of Palm Springs
Recommended By: MKL
10-21-16
 _____ 10/24/16
Date
Marcus Fuller, Assistant City Manager /
City Engineer

Attest By:  _____
James Thompson, City Clerk Date

- Distribution:
- | | | | |
|---------------------------------|-----|-------------------------------|-----|
| <u>Original Conformed Copy:</u> | | <u>Conformed - File Copy:</u> | |
| Contractor | (1) | Engineering Pay File | (1) |
| City Clerk | (1) | City Project File | (1) |
| | | Purchasing | (1) |
| | | Finance | (1) |

APPROVED BY DEPARTMENT HEAD
decrease \$512,629.85 ABM

Attachment 2

Recording Requested By:

City of Palm Springs

When Recorded Mail To:

Name Kathleen D. Hart, Interim City Clerk

Street Address 3200 E. Tahquitz Canyon Way

City & State Palm Springs, CA 92262

SPACE ABOVE THIS LINE FOR RECORDERS USE

NOTICE OF COMPLETION

(CA Civil Code §§ 8180-8190, 8100-8118, 9200-9208)

NOTICE IS HEREBY GIVEN THAT:

1. The undersigned is an owner of an interest of estate in the hereinafter described real property, the nature of which interest or estate is:
Operation and maintenance agreement with Riverside County Flood Control District _____ (e.g. fee, leasehold, joint tenancy, etc.)
2. The full name and address of the undersigned owner or reputed owner and of all co-owners or reputed co-owners are:

Name	Street and No.	City	State
Riverside County Flood Control District	1995 Market Street	Riverside	CA
City of Palm Springs	3200 E. Tahquitz Canyon Way	Palm Springs	CA
3. The name and address of the direct contractor for the work of improvement as a whole is:
Golden Valley Construction 44300 Lowtree Avenue, Lancaster, CA 93534
4. This notice is given for (check one):
 Completion of the work of improvement as a whole.
 Completion of a contract for a particular portion of the work of improvement (per CA Civ. Code § 8186).
5. If this notice is given only of completion of a contract for a particular portion of the work of improvement (as provided in CA Civ. Code § 8186), the name and address of the direct contractor under that contract is:
Not Applicable.
6. The name and address of the construction lender, if any, is:
Not Applicable.
7. On the 22nd day of September, 2016, there was completed upon the herein described property a work of improvement as a whole (or a particular portion of the work of improvement as provided in CA Civ. Code § 8186) a general description of the work provided:
City Project 14-16, Tahquitz Creek Triangle Gateway
8. The real property herein referred to is situated in the City of Palm Springs, County of Riverside State of California, and is described as follows:
APN: 508-161-002
9. The street address of said property is:
Tahquitz Creek Triangle Gateway is located between S. Palm Canyon Drive, E. Sunny Dunes Road, N. Riverside Drive and Tahquitz Creek Channel
10. If this Notice of Completion is signed by the owner's successor in interest, the name and address of the successor's transferor is:
Not applicable

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: _____ By: _____

Signature of Owner or Owner's Authorized Agent - City Engineer for City of Palm Springs

Thomas Garcia, City Engineer

Print Name, and Title

VERIFICATION

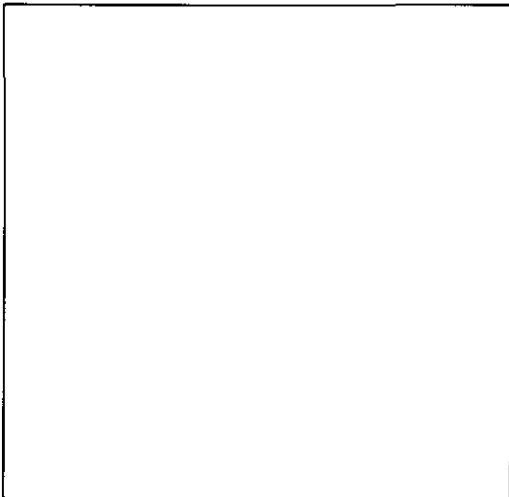
I, Thomas Garcia, state: I am the City Engineer ("Owner", "President", "Authorized Agent", "Partner", etc.) of the Owner identified in the foregoing Notice of Completion. I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on _____, _____ (date), at Palm Springs (City), CA (State).

Signature of Owner or Owner's Authorized Agent
Thomas Garcia, City Engineer

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.



STATE OF CALIFORNIA
COUNTY OF _____

On _____, _____ (date), before me, _____, Notary Public (name and title of officer) personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PURJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.