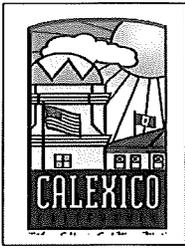


**AGENDA
ITEM**

22



AGENDA STAFF REPORT

DATE: November 7, 2018

TO: Mayor and City Council

APPROVED BY: David B. Dale, City Manager *DF for D.D.*

PREPARED BY: Lilliana Falomir, Public Works Manager *L. Falomir*

SUBJECT: Authorize City Manager to Sign Change Order No. 2 with Pyramid Construction and Aggregate, Inc. in the amount of \$86,769.00 for Cesar Chavez Blvd. Improvements Federal-Aid Project No. HPLUL-5168(017).

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Recommendation:

Authorize City Manager to Sign Change Order No. 2 with Pyramid Construction and Aggregate, Inc. in the amount of \$86,769.00 for Cesar Chavez Blvd. Improvements Federal-Aid Project No. HPLUL-5168(017).

Background:

The City of Calexico Public Works Department has received a grant from the Department of Transportation for construction in the amount of \$7,104,240.00 (Federal \$5,500,000.00 and Local Match \$1,604,240.00) for Federal Project No. HPLUL-5168(017) Cesar Chavez Blvd./Calexico-West Port of Entry between HWY 98 and Second Street HPLUL-5168(017) Cesar Chavez Blvd./Calexico-West Point of Entry between HWY 98 and Second Street.

On August 1, 2018 the City Council of the City of Calexico awarded a construction contract to Pyramid Construction and Aggregate, Inc. for the above-mentioned project in the amount of \$6,022,219.00. On October 17, 2018, the City Council authorized the City Manager to sign Change Order No. 1 for the purchase of decorative street lighting and brought the total contract amount to \$6,270,138.00.

Discussion & Analysis:

As the construction of Cesar Chavez Blvd. Improvement Project progresses, several issues have come to light. Pyramid Construction and Aggregate, Inc. has informed City staff that Union Pacific Railroad required additional insurance liability in order for them to obtain the right-of-way permit for Grant



Street and Cesar Chavez Blvd. In addition, the Department of Transportation (Caltrans) has requested that Pyramid Construction and Aggregate, Inc. install three (3) additional changeable message signs (CMS) along HWY 98 in order to obtain Caltrans Encroachment Permit.

Lastly, on APN 058-400-034, there is an abandoned building that is within the City's right-of-way. During the right-of-way phase of said project the City was able to obtain the final order of condemnation in order to widen Cesar Chavez Blvd. Demolishing the abandon building was not part of the original contract with Pyramid Construction and Aggregate, Inc., therefore, City staff requested a price quote to demolish said building.

The total amount of the proposed items above is \$86,769.00. City staff is requesting that the City Council of the City of Calxico approve the following change order:

- Demolish abandon building at 560 Cesar Chavez Blvd.
- Three (3) additional CMS as per Caltrans Encroachment Permit requirement.
- Additional liability insurance as per Union Pacific Railroad Right-of-Way Construction Agreement.

With Change Order No. 2 the new contract amount will be \$6,356,907.00.

Fiscal Impact:

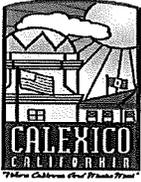
Federal Grant	<u>\$86,769.00</u>
Total	\$86,769.00

Coordinated With:

Public Works Department.

Attachment(s):

1. Change Order No. 2



**CITY OF CALEXICO
PUBLIC WORKS DEPARTMENT
CHANGE ORDER NO. 2**

Name of Project: Cesar Chavez Blvd. Improvements
Federal-Aid Project No. HPLUL-5168(017)
Name of Contractor: Pyramid Construction and Aggregate, Inc.
Date: 11/07/18

#	Description	Price Increase	Price Decrease	Time Extension
1	Demolish abandoned building at 560 Cesar Chavez Blvd.	\$ 51,000.00		3 days
2	Three (3) additional CMS as per Caltrans Encroachment Permit requirement	\$ 21,600.00		
3	Additional liability insurance as per Union Pacific Railroad Right-of-Way Construction Agreement	\$ 14,169.00		
	Sub-Total	\$ 86,769.00		
	Total	\$	86,769.00	
	Contract Amount	\$	6,270,138.00	
	Total Contract Amount (Contract + Change Order No. 2)	\$	6,356,907.00	

David Dale, City Manager
City of Calexico, 608 Heber Avenue, Calexico, California

Sameer Patel, Project Engineer
The Holt Group, Inc., 2415 Imperial Business Park Dr., Imperial, California

Archie Abeyta, Project Manager
Pyramid Construction and Aggregate, Inc., 839 Dogwood Road, Heber, California