



# City of Sacramento City Council

915 I Street, Sacramento, CA, 95814  
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**Meeting Date:** 3/1/2011

**Report Type:** Consent

**Title:** R Street Improvements Project- 10th Street to 13th Street (T15056200)

**Report ID:** 2011-00066

**Location:** District 4

**Recommendation:** Adopt a Resolution 1) authorizing the City Manager to execute Change Order No. 4 in the amount not to exceed \$366,720.74 with Teichert Construction for the R Street Improvements Project, 10th Street to 13th Street (T15056200), and 2) resetting the City Manager's change order authority.

**Contact:** Zuhair Amawi, Associate Civil Engineer, (916) 808-7620; Tim Mar, Supervising Engineer, (916) 808-7531, Department of Transportation

**Presenter:** None

**Department:** Transportation Department

**Division:** Civil and Electrical Design

**Dept ID:** 15001131

## **Attachments:**

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- 1-Description/Analysis
- 2- Background
- 3 - Resolution
- 4 - Exhibit A - Location Map
- 5- Contract Cover
- 6- Contract

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### **City Attorney Review**

Approved as to Form  
Jerry Hicks  
2/15/2011 5:34:12 PM

### **City Treasurer Review**

Prior Council Financial Policy Approval or  
Outside City Treasurer Scope  
Russell Fehr  
2/9/2011 4:39:16 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 2/10/2011 5:23:31 PM

Assistant City Manager: John Dangberg - 2/15/2011 4:28:53 PM

Eileen Teichert, City Attorney

Shirley Concolino, City Clerk  
Gus Vina, Interim City Manager

Russell Fehr, City Treasurer

## Description/Analysis

**Issue:** The R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project (T15056200) is the first phase of a four-phase revitalization of R Street in downtown Sacramento. This project is constructing roadway and streetscape improvements on R Street between 10<sup>th</sup> Street and 13<sup>th</sup> Street. On August 24, 2010, the City Council awarded the construction project to Teichert Construction. At that time, the City Council was notified that as a result of a low bid below the City's estimate, federal grant funds remained, and that pursuant to an agreement with the State of California, streetscape enhancements consistent with the R Street Corridor Plan could be added to the project via change orders.

As a result of inclement weather, construction on R Street is being performed in two phases. Phase I consists of reconstructing the southern half of R Street between 11<sup>th</sup> Street and 13<sup>th</sup> Street. Upon excavating the existing rails during Phase I, it was determined that the soil was unstable and the rails were unsuitable for re-use for constructability and aesthetic reasons. Stabilizing the soil, reinforcing the concrete roadway and replacing the rail are required. Change orders 1 through 3 were issued within the City Manager's authority to complete construction of this phase. Phase II of construction will start on April 1, 2011 and will include reconstructing the remainder of the R Street from 10<sup>th</sup> Street to 13<sup>th</sup> Street. Phase II is anticipated to have the similar soil and roadway conditions as Phase I. Change Order No. 4 will compensate Teichert Construction for cost of additional work needed to complete the project.

**Policy Considerations:** The action requested herein is consistent with the City's Strategic Plan to improve and expand public safety and achieve sustainability and enhance livability. The project design is consistent with the R Street Urban Design Plan adopted by the City Council on September 5, 2006, the adopted Preservation Element of the General Plan, and the adopted R Street Corridor District Supplemental Design Guidelines.

### Environmental Considerations:

**California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA):** On September 16, 2008, the City Council approved the Mitigated Negative Declaration and adopted the Mitigation Reporting Plan for the R Street Improvements, 10th Street to 13th Street Project (T15056200) pursuant to the requirements of the California Environmental Quality Act (CEQA).

The project is federally funded. As a result, it is also subject to the National Environmental Policy Act (NEPA). On October 1, 2008, the State Department of Transportation (Caltrans) and the Federal Highway Administration (FHWA) issued a Categorical Exclusion for the project pursuant to the requirements of NEPA.

The current action is an ongoing administrative activity for a previously-approved project and would not result in any new or more significant environmental impacts than previously disclosed and mitigated.

## R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project (T15056200)

**Sustainability Considerations:** The R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project (T15056200) is consistent with the City's Sustainability Master Plan. It will reduce dependence on the private automobile by working with community partners to provide efficient and accessible public transit and transit supportive land uses. It will also reduce long commutes by providing a wide array of transportation and housing choices near jobs for a balanced, healthy City.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** Approval of Change Order No. 4 is necessary for project completion.

**Financial Considerations:** As of January 14, 2011, the R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project has a budget of \$6,629,000 which consists of \$320,000 in Major Street Construction Tax, \$1,485,000 Capital Area Development Authority (CADA) funds, \$635,000 Measure A sales tax revenue, \$1,172,252 in Federal Demonstration funds and \$3,016,610 in Federal Transportation Enhancement funds. The unobligated balance of \$2,364,037 is sufficient to approve Change Order No. 4 in the amount of \$366,720.74 with Teichert Construction, remaining change orders to add enhancements and cover construction management costs. Due to the difference between the federal construction authorization and the current construction cost estimates, some federal funding could be de-obligated. Staff is working with SACOG to have the de-obligated federal funds programmed to the R Street Market Plaza Project, 16<sup>th</sup> Street to 18<sup>th</sup> Street (T15068300).

There are no general funds planned or allocated for this project.

**Emerging Small Business Development (ESBD):** The R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project (T15056200) has federal funding and requires conformance with project participation guidelines for Disadvantaged Business Enterprise (DBE) / Underutilized Disadvantaged Business Enterprises (UDBE) program requirements. Therefore the ESBD requirements are held in abeyance. The UDBE goal is 17.2%. Teichert Construction pledged 10.6% UDBE participation on this project and demonstrated Good Faith Effort.

## **Background Information:**

The R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project (T15056200) is the first phase of a four-phase revitalization of R Street in downtown Sacramento. This project will construct roadway and streetscape improvements on R Street between 10<sup>th</sup> Street and 13<sup>th</sup> Street.

The project consists of replacing the asphalt concrete roadway, placing raised pedestrian walkways and valley gutters, installing industrial looking street lighting, and providing parking along R Street. This area is within the R Street Preservation District, and the project is consistent with the Urban Design Plan (UDP), approved by City Council in September of 2006. The ultimate goal of the project is to create a pedestrian friendly environment that will encourage transit oriented development throughout the corridor. The project was advertised. Teichert Construction was awarded the construction contract by City Council on August 24, 2010. The project is under construction and is expected to be completed by July 2011.

At the time of award, City Council was informed that there were substantial remaining federal funds in the project budget and that pursuant to an agreement with the State, street furnishings and pedestrian amenities could be added to the project to enhance its historic sense as a community gathering place. Change orders would be issued to construct the necessary additional amenities. The total amount of the construction contract with Teichert Construction Company is lower than the federal funds allocated to the project. The remaining allocated federal funds are sufficient to approve change orders.

Due to inclement weather, construction on R Street is being performed in two phases. Phase I consists of reconstructing the southern half of R Street between 11<sup>th</sup> Street and 13<sup>th</sup> Street and is scheduled for completion on March 1, 2011. Phase II will start on April 1, 2011 and will include reconstructing the remainder of the R Street from 10<sup>th</sup> Street to 13<sup>th</sup> Street.

Change Order No. 1 in the amount of \$73,442 was approved and compensated Teichert Construction for extra work performed on R Street between 11<sup>th</sup> Street and 13<sup>th</sup> Street due to unforeseen conditions. After exposing the existing center rail road tracks, excavation revealed that the tracks wooden ties were deteriorated and not structurally sound. The wooden ties were removed and a concrete slab was constructed to hold the rails in place to prevent roadway settlement.

Change Order No. 2 was issued to change the provisions of the order of work in the construction contract documents to accommodate stakeholders and business' needs on R Street between 10<sup>th</sup> Street and 13<sup>th</sup> Street and extend the working days of the construction contract by 26 calendar days due to weather conditions and delays associated with unforeseen conditions during excavation work between 11<sup>th</sup> Street and 13<sup>th</sup> Street. The change order did not have an increase to the contract amount.

Change Order No. 3 in the amount of \$142,054 was approved and compensated Teichert Construction for replacing the siding and center rail road tracks and reinforcing the concrete roadway on R Street between 11<sup>th</sup> Street and 13<sup>th</sup> Street and for other transportation enhancements. Upon excavating the existing rails, it was determined that the soil was unstable and the rails were unsuitable for re-use for constructability and aesthetic reasons. Stabilizing the soil, reinforcing the concrete roadway and replacing the rails will result in a better final product and enhance the aesthetics of the historic rail alignment.

Phase II is anticipated to have similar existing soil and roadway conditions discovered during constructing Phase I. Change Order No. 4 in the amount of \$366,721 will compensate Teichert Construction for the cost of additional work needed to complete the project and for reconstructing the intersection of R Street and 10<sup>th</sup> Street.

Change Order No. 1, Change Order No. 3, and Change Order No. 4 are eligible to be funded and covered under these remaining federal funds.

Staff is negotiating with the contractor and anticipates the need for a future change order to cover street furnishings and pedestrian amenities including but not limited to pedestrian benches, bike racks, decorative fence, pedestrian arch and an archway that will span the roadway on R Street at 10<sup>th</sup> Street.

## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **APPROVAL OF CHANGE ORDER NO. 4 WITH TEICHERT CONSTRUCTION IN THE AMOUNT OF \$366,721 FOR R STREET IMPROVEMENTS PROJECT- 10<sup>th</sup> STREET TO 13<sup>th</sup> STREET (T15056200)**

#### **BACKGROUND**

- A. The R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project (T15056200) will reconstruct R Street from 10th Street to 13th Street. The project consists of replacing the asphalt concrete roadway, placing raised pedestrian walkways and valley gutters, installing industrial looking street lighting, and providing parking along R Street.
- B. The project was awarded to Teichert Construction in the amount of \$2,743,944 by City Council on August 24, 2010.
- C. At the time of award, City Council was informed that there were substantial remaining federal funds in the project budget and pursuant to an agreement with the State, street furnishings and pedestrian amenities could be added to the project to enhance its historic sense as a community gathering place. Change orders would be issued to construct the necessary additional amenities. The total Construction Contract amount with Teichert Construction Company is lower than the allocated federal funds for the project. The remaining allocated federal funds are sufficient to approve change orders.
- D. Due to inclement weather, construction on R Street is being performed in two phases. Phase I consists of reconstructing the southern half of R Street between 11th Street and 13th Street and is scheduled for completion on March 1, 2011. Phase II will start on April 1, 2011 and will include reconstructing the remainder of the R Street from 10th Street to 13th Street.
- E. The project planned to reinstall the existing railroad tracks. Excavation revealed that the soil was unstable and the existing railroad ties and tracks are unsuitable for re-use. Replacement of the rails is necessary.
- F. Change Order No 1 in the amount of \$73,442 was approved and compensated Teichert Construction for extra work performed on R Street between 11<sup>th</sup> Street and 13<sup>th</sup> Street due to unforeseen conditions.
- G. Change Order No. 2 was issued to change the provisions of the order of work in the construction contract document to accommodate stakeholders and business'

needs on R Street between 10<sup>th</sup> Street and 13<sup>th</sup> Street and extend the working days of the construction contract by 26 calendar days due to weather conditions and delays associated with unforeseen conditions during excavation work between 11<sup>th</sup> Street and 13<sup>th</sup> Street. The change order did not increase the contract amount.

- H. Change Order No. 3 in the amount of \$142,054 was approved and compensated Teichert Construction for replacing the siding and center railroad tracks and reinforcing the concrete roadway on R Street between 11<sup>th</sup> Street and 13<sup>th</sup> Street and for other transportation enhancements. Upon excavating the existing rails, it was determined that the soil was unstable and the rails were unsuitable for re-use and aesthetic reasons. Stabilizing the soil, reinforcing the concrete roadway and replacing the rails will result in a better final product and enhance the aesthetics of the historic rail alignment.
- I. Phase II of the project is anticipated to have similar soil and roadway conditions as Phase I. Change Order No. 4 in the amount of \$366,720.74 will compensate Teichert Construction for the cost of the additional work needed to complete the project including reconstructing the intersection of R Street and 10<sup>th</sup> Street, stabilizing the soil, reinforcing the concrete roadway and replacing the rails in the remaining segments of the project.
- J. Change Orders No. 1, 3 and 4 and all future change orders are eligible to be funded and covered under remaining federal funds.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

Section 1. The City Manager is authorized to execute Change Order No. 4 with Teichert Construction in an amount not to exceed \$366,721 for the R Street Improvements, 10<sup>th</sup> Street to 13<sup>th</sup> Street Project (T15056200).

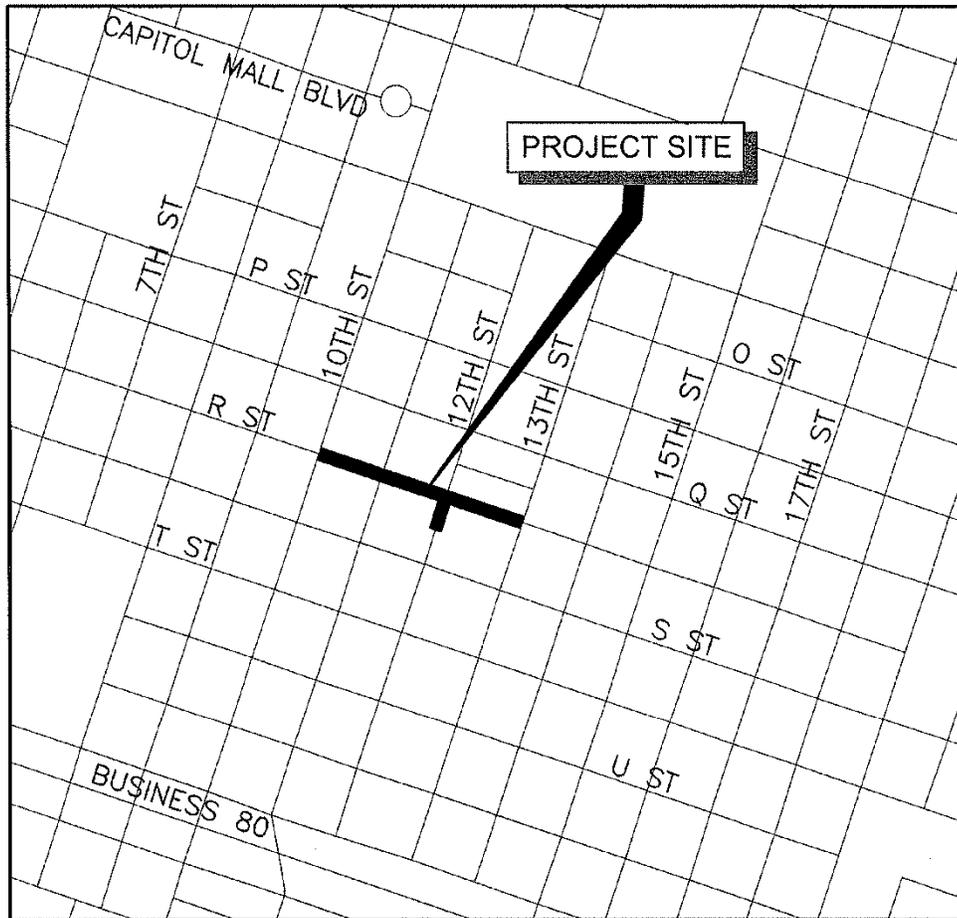
Section 2. The City Manager's change order authority is reset.

Section 3. Exhibit A is hereby incorporated into and is a part of this Resolution.

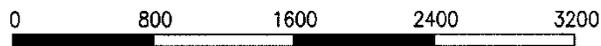
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Exhibit A: Map of R Street Improvements Project

Location map for:  
**R STREET IMPROVEMENTS PROJECT**  
10th STREET TO 13th STREET  
PN: T15056200



Map Contact: Boris Kiksmar  
Date: September 2009



## Unexecuted Contract/Agreements

- The Unexecuted Contract/Agreement is signed by the other party, is attached as an exhibit to the resolution, and is approved as to form by the City Attorney.
  
- The Unexecuted Contract/Agreement (Public Project) is NOT signed by the other party, is attached as an exhibit to the resolution, and is approved as to form by the City Attorney.
  
- The Unexecuted Contract is NOT included as an exhibit to the Resolution because the Agreement(s) is with other another governmental agency and it is not feasible to obtain the other agency's signature prior to Council action (be they denominated Agreements, MOUs, MOAs, etc.); however, the City Attorney approves the forwarding of the report to Council even though the signed agreement is not in hand yet.
  
- The Unexecuted Contract is NOT included as an exhibit to the resolution because, due to special circumstances, and the City Attorney confirms in writing that it is okay to proceed with Council action even though the signed agreement is not in hand yet.

*All unexecuted contracts/agreements which are signed by the other parties are to be in the Office of the City Clerk before agenda publication.*

City of Sacramento

CHANGE ORDER

Project #: T15056200

Contract #: 2010-0718

Date: 2/2/2011

Purchase Order #: 0000012468

Change Order #: 4

Sacramento, California

TO: Teichert Construction, Contractor

**CONTRACT FOR: R Street Improvements (10th to 13th Street)**

Upon Mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "City", and your firm, hereinafter referred to as "Contractor", in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following changes for the consideration set forth below:

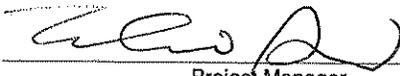
**Description:**

See Exhibit A

The original contract sum was	<u>\$2,743,944.00</u>
The net change by previous Change Orders was	<u>\$215,495.55</u>
The contract sum prior to this Change Order was	<u>\$2,959,439.55</u>
The contract sum will be increased by this Change Order	<u>\$366,720.74</u>
The new contract sum including all Change Orders	<u>\$3,326,160.29</u>

Contractor agrees that the amount of increase or decrease in the contract sum specified in this Change Order shall constitute full compensation for the work required by this Change Order, including but not limited to all compensation for the additional and/or revised work specified herein, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised work, including any changes disruptions or delays in work schedules or in the performance of other work by Contractor. The time for the performance of the contract is increased by 0 Calendar Days by reason of the performance of the work required by this Change Order. Except as herein above expressly provided, Contractor further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the timelimit for completion of the work as said term is used in the contract between the City and the Contractor for the project.

Approval Recommended by:

  
Project Manager

Approved by:

\_\_\_\_\_  
City of Sacramento

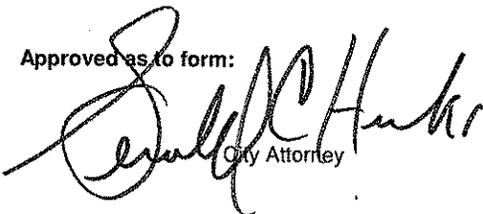
Approved by:

  
Contractor

Attested to by:

\_\_\_\_\_  
City Clerk

Approved as to form:

  
City Attorney

**Exhibit A**  
**R Street Improvements (10th to 13th Street)**  
**2010-0718**  
02/02/11

<i>Description</i>	<i>Amount</i>
<b>Change Order #4</b>	
<b>PCO # 21.0 Changed/Unforeseen Conditions</b>	\$6,000.00
02/02/11 Increase Bid Item No. 18 in the Contract "Railroad Tie to Remove and Dispose" by 150 at \$40 Each between 10th and 11th Street Station 10+27.5 and Station 14+20 on R Street.	
<b>PCO # 22.0 Changed/Unforeseen Conditions</b>	\$63,140.00
02/02/11 Increase Bid Item No. 19 in the Contract "Adjust Tracks to Grade" by 574 lineal feet at \$110 Per Linear Foot between 10th and 11th Street Station 10+27.5 and Station 14+20 on R Street.	
<b>PCO # 23.0 Changed/Unforeseen Conditions</b>	\$24,080.00
02/02/11 Purchase replacement Historic Rails for the section between 10th and 13th Street, 86 Pieces 33 Lineal Feet per Piece at \$280 per Piece. After excavation close examination of the existing RR Tracks, the tracks were Deemed unsuitable for reuse in the project.	
<b>PCO # 24.0 Changed/Unforeseen Conditions</b>	\$17,875.00
02/02/11 Material to elevate Historic Rails for the section between 10th and 11th Street, 1430 Lineal Feet at \$12.50 per Linear Foot. Elevate new rails to match existing design grades.	
<b>PCO # 25.0 Changed/Unforeseen Conditions</b>	(\$3,742.00)
02/02/11 Cut Girder Rail Credit. Credit for not having to remove the girder piece for the entire project as originally bid.	
<b>PCO # 26.0 Changed/Unforeseen Conditions</b>	(\$7,225.00)
02/02/11 Rough Top of Rail Credit. Credit to roughen up top of existing rail for the entire project.	
<b>PCO # 27.0 Changed/Unforeseen Conditions</b>	(\$6,148.00)
02/02/11 Scrap Rail On-Hand. Credit for scrapping rail that has been removed from the project.	
<b>PCO # 28.0 Changed/Unforeseen Conditions</b>	\$1,935.49
02/02/11 Install cobble stones around the rails of the RR Tracks at the intersections of 10th & R Street, 11th & R Street and 13th & R Street including 15% Contractor material markup.	
<b>PCO # 29.0 Changed/Unforeseen Conditions</b>	\$15,000.00
02/02/11 Increase Item No. 15 "Roadway Excavation and Grading" by 300 cubic yard at \$50 per cubic yard. Trim of subgrade after applying Cement Treatment.	
<b>PCO # 30.0 Changed/Unforeseen Conditions</b>	\$6,200.00
02/02/11 Temporary construction impacts to parking lots on the southwest corner of 13th and R Street and the southeast corner of 10th and R Street	
<b>PCO # 31.0 Changed/Unforeseen Conditions</b>	\$21,352.80
02/02/11 Add additional Rebar to the entire roadway. This item includes 5% Contractor markup.	
<b>PCO # 32.0 Changed/Unforeseen Conditions</b>	\$55,587.00
02/02/11 Cement Treatment for the roadway to a depth of 14 inches at 5.5 pounds per cubic foot from Station 10+27 and 14+20 and from Station 20+00 to Station 23+45. This item includes 5% markup	
<b>PCO # 33.0 Client Initiated Changes</b>	\$131,930.00
02/02/11 Reconstruct the intersection of 10th Street at R Street with Portland Cement Concrete	

<b>PCO # 34.0</b>	<b>Client Initiated Changes</b>	<b>\$28,780.00</b>
02/02/11	Excavation and placing 6 inch aggregate base to reconstruct the intersection of 10th and R Street, Station 9+52 to Station 10+27.5	
<b>PCO # 35.0</b>	<b>Client Initiated Changes</b>	<b>\$4,755.45</b>
02/02/11	Add temporary Light Pole at the intersection of 11th and R Street. This item includes 5% Subcontractor Markup.	
<b>PCO # 36.0</b>	<b>Client Initiated Changes</b>	<b>\$7,200.00</b>
02/02/11	Install 12 Historic Plaques that reference the history and stories of R Street at an estimated cost of \$600 Each. These Plaques will be imbedded in the sidewalk.	
	<b>16 Items</b>	<b>Total for Change Order # 4</b>
		<b>\$366,720.74</b>

16 Items	Total for Contract # 2010-0718	\$366,720.74
<i>Totals By Reason</i>	Changed/Unforeseen Conditions	\$194,055.29
	Changes to Bid Documents	\$0.00
	Client Initiated Changes	\$172,665.45