



# STAFF REPORT

## CITY of YORBA LINDA

### PUBLIC WORKS DEPARTMENT

**DATE:** OCTOBER 18, 2022

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** JAMIE LAI, P.E., DIRECTOR OF PUBLIC WORKS/CITY ENGINEER  
**PREPARED BY:** FREDY CASTILLO, ASSISTANT ENGINEER

**SUBJECT:** APPROVE CHANGE ORDER NO. 1 TO THE CONSTRUCTION CONTRACT WITH ONYX PAVING COMPANY, INC FOR THE FISCAL YEAR 2021-22 ANNUAL PAVEMENT PRESERVATION PROJECT (ZONE 6)

### **RECOMMENDATION**

It is recommended that the City Council approve Change Order No. 1 (Attachment 1) to the construction contract with Onyx Paving Company, Inc. for the Fiscal Year 2021-22 Annual Pavement Preservation Project -Zone 6 (SI221009) in the amount of \$350,200.

### **BACKGROUND**

On April 27, 2011, the City entered into agreement with the Yorba Linda Water District (YLWD) where the City turned over ownership and maintenance responsibilities of its sewer improvements and easement to YLWD. As part of the agreement YLWD agreed to take on the cost for adjusting water valve and sewer manhole covers to grade upon written request from the City. When the adjustments are related to a City construction project, the City is required to submit the unit costs for such work to the YLWD. They then have ten (10) working days to either approve or disapprove the unit costs. If the unit costs are approved, then YLWD then authorizes the City to perform the work and reimburses the City for the cost of the adjustments. If YLWD does not approve the unit costs, YLWD is then required to perform the work itself in coordination with the City's construction contractor.

### **DISCUSSION**

Plans and specifications for the Fiscal Year 2021-22 Annual Pavement Preservation Project -Zone 6 (SI221009) were advertised in June and bids were received and opened by the City Clerk's office on July 7<sup>th</sup>, 2022. Upon opening bids City staff shared the apparent low bidder's unit cost for the sewer manhole and water valve adjustments with YLWD. At that time the YLWD informed the City that they were not approving the unit cost and that the work would be performed by their own on-call contractor. At the July 19, 2022, City Council Meeting, the Fiscal Year 2021-22 Annual Pavement Preservation Project (Zone 6) was awarded to Onyx Paving Company, Inc. The contract award total did not include the cost to adjust YLWD's

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valves and manholes. Sometime after the award of contract the YLWD notified City staff that they were not receiving favorable unit prices from their contractors and asked if the City could add these items to the awarded contract. Staff has discussed this request with Onyx Paving, and they have agreed to take on the additional work at the original unit cost that total to \$350,200.

**FISCAL IMPACT**

The total contract amount originally awarded to Onyx Paving was \$5,164,530. Also approved by Council at that time was a 10% project contingency amount, which will not be drawn down from as a part of this Change Order approval. The revised contract amount after proposed Change Order No. 1 will be \$5,514,730, and the available contingency will remain at 10% of the original contract amount. Sufficient funds for the requested Change Order No. 1 are programmed within the Ongoing Street Maintenance Program Capital Improvement Project budget (SI221009) within the CIP Fund (Account 4010050-461620). The project is funded via a combination of Gas Tax, Measure M2, SB1, and the City's General Fund monies. It should be noted that while the City will provide initial funding for the Change Order, YLWD will reimburse the City for the costs associated with Change Order No. 1 once the work is completed.

**ALTERNATIVES**

The City Council may choose to not approve Change Order No. 1 to Onyx Paving however, staff does not recommend this alternative because it will delay the adjustment to YLWD manholes and water valves. YLWD manholes and water valves are crucial for access to YLWD facilities for repairs and maintenance purposes.

**ATTACHMENTS**

Attachment 1 - Change Order No. 1

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