County of Fresno

Hall of Records, Rm. 301
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Fresno, California
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Legislation Details (With Text)

File #:	22-0474	**Name:**	Contract Change Order for Contract 21-02-C
		In control:	Public Works & Planning
On agenda:	5/17/2022	**Final action:**	5/17/2022
Enactment date:		**Enactment #:**	

Title: Authorize Chairman to execute Contract Change Orders for Contract 21-02-C, Lincoln Avenue Cold Pavement Recycling, up to 6% of construction contract total, in amount of $556,418, increasing contract maximum to $9,830,058

Sponsors:

Indexes:

Code sections:

Attachments: 1. Agenda Item, 2. Location Map

Date	Ver.	Action By	Action	Result
5/17/2022	1	Board of Supervisors	Consent Agenda be approved	Pass

DATE: May 17, 2022

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Contract Change Order for Contract 21-02-C Lincoln Avenue Cold Pavement Recycling

RECOMMENDED ACTION(S):

Authorize the Chairman to execute Contract Change Orders for Contract 21-02-C, Lincoln Avenue Cold Pavement Recycling, up to 6% of the construction contract total, in the amount of $556,418, increasing the contract maximum to $9,830,058.

The recommended action will increase the maximum authorization of Contract Change Orders (CCOs) in order to provide for Oil Price Index increases through project completion. This item pertains to a location in District 4.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the contract will lack sufficient funding to fund the remainder of the paving project.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. Approval of the recommended action will increase the CCO limit by $346,418, from $210,000 to $556,418, bringing the maximum amount of the construction contract from $9,483,640 to $9,830,058. The final contract amount will depend on fluctuations in the price of oil through the project's completion. Approximately two-thirds of the cost of this project is Federally funded through a combination of the Congestion Mitigation & Air Quality

Improvement Program, the Highway Infrastructure Program, and the Surface Transportation Block Grant Program, while the remainder of project costs are to be funded with the County's Senate Bill 1 (SB-1) allocation. Department staff are attempting to secure additional Federal funding to cover the increased project costs and minimize the expenditure of additional SB-1 funds. Sufficient appropriations are included in the Department of Public Works and Planning Road Fund Org 4510 FY 2021-22 Adopted Budget.

DISCUSSION:

On September 7, 2021, your Board awarded Contract 22-02-C to Yarbs Paving and Grading, in the amount of $9,273,640, with an additional allowance of $210,000 for approval of CCOs by the Director of the Department of Public Works and Planning (Director). The contract specifications allow for payment adjustments due to California Statewide Crude Oil Price Index (COP Index) fluctuations, and a $130,000 allowance for that purpose was included in the contract price. However, the COP Index has increased by more than 50% (from 403.9 to 622), from the bid opening date in August 2021 through April 2022. The estimated amount of the change order that will be required in order to cover COP Index fluctuations is $550,000, which will exceed both the COP Index allowance and the CCO allowance. Approval of this item will allow the Chairman to sign change orders which exceed the Director's CCO allowance, up to a total of 6% of the awarded contract amount, which will cover the estimated COP Index fluctuations and preserve an additional allowance of approximately $130,000 to account for other potential contract variables.

REFERENCE MATERIAL:

BAI # 15, September 7, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map

CAO ANALYST:

Ron Alexander