



# City Council Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: MARCH 12, 2024**

**FROM: PUBLIC WORKS DEPARTMENT** **WARD: 3**

**SUBJECT: AUTHORIZE AN INCREASE IN CONTRACT CHANGE ORDER AUTHORITY WITH SOL CONSTRUCTION, INC., FOR BID NO. 7874 FOR THE CONSTRUCTION OF PANORAMA ROAD AT-GRADE RAIL CROSSING IMPROVEMENTS IN THE AMOUNT OF \$47,234, FOR A REVISED CONTRACT AMOUNT OF \$253,055, IN ACCORDANCE WITH PURCHASING RESOLUTION NO. 23914, SECTIONS 802(E) AND 1104**

## **ISSUE:**

Authorize an increase in contract change order authority with Sol Construction, Inc., of Riverside, California, for Bid No. 7874 for the construction of Panorama Road at-grade crossing improvements, in the amount of \$47,234 (22.95%) for a revised contract amount of \$253,055.

## **RECOMMENDATION:**

That the City Council authorize an increase in contract change order authority with Sol Construction, Inc., of Riverside, California, for Bid No. 7874 for the construction of Panorama Road at-grade crossing improvements, in the amount of \$47,234 (22.95%) for a revised contract amount of \$253,055.

## **BACKGROUND:**

On May 11, 2021, the City Council approved the Public Highway At Grade Crossing Agreement with Union Pacific Railroad Company for Panorama Road crossing improvements in the amount of \$745,617. This agreement is separate but complementary to the construction agreement with Sol Construction, Inc.

On March 22, 2022, the City Council awarded a construction contract for Bid No. 7874 for Panorama Road at -grade rail crossing improvements to Sol Construction, Inc., Riverside, California, in the amount of \$205,821; and authorized the City Manager, or his designee, to execute the construction contract with Sol Construction, Inc., including making minor and non-substantive changes.

## **DISCUSSION:**

On December 22, 2021, Bid No. 7874 for the construction of the Panorama Road At-Grade Rail Crossing Improvements (Project) was posted on PlanetBids to construct roadway improvements to facilitate the establishment of a Quiet Zone at this crossing (Attachment 1). The roadway improvements include construction of a concrete sidewalk on the south side of the crossing,

construction of concrete curbs and gutters, installation of fencing and emergency pedestrian exit gate systems at both sides of the pedestrian/bicycle crossing, repaving of the road for approximately 100-feet on each side of the crossing, and traffic signing and striping.

Concurrent with the roadway improvements, Union Pacific's railroad crew will at the City's sole cost and expense (1) furnish all labor, materials, tools and equipment to remove the existing vehicular and pedestrian warning devices (two gate mechanisms, each), install four new vehicular gate mechanisms (two entrance gates and two exit gates), and install two pedestrian gate mechanisms; and (2) install a new crossing surface (concrete panels) for the pedestrian/bicycle crossing.

The construction contract with SOL Construction was executed on April 28, 2022. Soon after executing the construction contract the City was notified by Union Pacific Railroad Company (UPRR) that they had discovered certain rail signal timing design issues that would necessitate a rail signal timing redesign and the UPRR entering into a Joint Facilities agreement with the Burlington Northern Santa Fe (BNSF) railroad thereby delaying the construction of the project.

The rail signal timing design issues were related to the proximity of the Panorama Road crossing to the merger of the UP track with the Burlington Northern Santa Fe tracks on the east side of the SR-91 freeway and immediately after crossing the freeway, just to the south of Cridge Street. Due to the close proximity the rail signal timing equipment at Panorama Road must communicate with the BNSF signal equipment to coordinate rail traffic.

On January 12, 2024, Staff were notified that UPRR was ready to begin their work. UPRR requested the City to schedule the pre-construction meeting in order to begin construction activities.

SOL Construction is requesting an increase of \$47,234 (22.95%) in the contract amount to compensate for the escalation in labor and materials cost since 2022.

Upon completion of construction, a Notice of Quiet Zone Establishment (NOQZE) will be filed by the City. The Quiet Zone can be established no earlier than 21 days after the date on which the NOQZE is mailed.

This item follows Purchasing Resolution 23914, Article Eleven: Purchase Order and Purchase Requisition Procedures, Section 1104 "Modifications to a Purchase Order shall be made only by Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes of.... (2) modifying unit prices...(c) 10% of the original contract price for Contracts and/or Purchase Orders previously approved by the Awarding Entity and the total Change Orders amount will not exceed \$150,000".

The Purchasing Manager concurs that the recommendation to approve is in compliance with Purchasing Resolution 23914.

### **STRATEGIC PLAN ALIGNMENT:**

This project supports **Strategic Priority 6 – Infrastructure, Mobility and Connectivity** and **Goal No. 6.2** – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

The Project further aligns with each of the Cross-Cutting threads as follows:

1. **Community Trust** – This Project will construct facilities to enhance safety for vehicular, pedestrian and bicycle traffic across the UP railroad track to eliminate the use of train horns at the crossing.
2. **Equity** – After Project completion and upon regulatory approval, the train horn will be eliminated to allow for improved quality of life for all the neighborhoods surrounding the Panorama Road crossing.
3. **Fiscal Responsibility** – This Project was publicly bid, and the construction contract was awarded to the lowest responsive and responsible bidder.
4. **Innovation** – This project utilizes the most up-to-date warning devices and sensors to ensure efficiency and safety at the Panorama Avenue rail crossing for all modes of transportation.
5. **Sustainability & Resiliency** – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City's capacity to persevere, adapt and grow during good and difficult times alike. The construction materials specified for this project are considered the most reliable and sustainable in the industry standards for these applications.

#### **FISCAL IMPACT:**

The total fiscal impact of this action is \$47,234. Sufficient funds are budgeted and available in the Measure A Capital Outlay Fund, BNSF/UP QZ-Panorama/Cridge Project account numbers 9593432-440312 and 9593430-440313 for this change order.

Prepared by:	Farshid Mohammadi, Engineering Manager
Approved by:	Gilbert Hernandez, Public Works Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

#### **Attachments:**

1. Project Location Map
2. Construction Contract with Sol Construction, Inc.
3. Construction Contract Payment Sheet