

APPROVED
05-18-2016

BOARD OF RECREATION
AND PARK COMMISSIONERS

BOARD REPORT

NO. 16-125

DATE May 18, 2016

C.D. 2

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LOS ANGELES RIVERFRONT PARK – PHASE II (W.O. #E170406F) PROJECT – AUTHORITY TO NEGOTIATE AND ISSUE CHANGE ORDERS, SUPPLEMENTAL AGREEMENT CHANGE ORDER, AND SUBSEQUENT CHANGE ORDERS TO CONTRACT NO. 3385

AP Diaz _____	V. Israel _____
<i>for</i> *R. Barajas <u>CSB</u> _____	K. Regan _____
H. Fujita _____	N. Williams _____

Ramon Barajas *for*
General Manager

Approved ✓ Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Authorize the General Manager to negotiate and issue Supplemental Agreement to the Contractor to extend the terms and conditions of Contract No. 3385 from the current change order ceiling of One Million, Three Thousand Dollars (\$1,003,000.00), or twenty-five percent (25%) of the contract award amount, to a new ceiling of One Million, Nine Hundred Twenty-Five Thousand Dollars (\$1,925,000.00), or forty-eight percent (48%) of the contract award amount; and,
2. Authorize the General Manager to issue subsequent change orders up to not-to-exceed amount of One Million, Nine Hundred Twenty-Five Thousand Dollars (\$1,925,000.00), or forty-eight percent (48%) of the contract award amount, to complete the Los Angeles Riverfront Park – Phase II (W.O. #E170406F) project.

SUMMARY

On June 6, 2012, the Board awarded Contract No. 3385 to Simgel Co., Inc. (Report No. 12-174), in the amount of Four Million, Twelve Thousand Dollars (\$4,012,000.00) for the construction of the Los Angeles Riverfront Park – Phase II (W.O. #E170406F) project. The plans for this project call for the construction of public recreational improvements along two Reaches located along the south bank of the Los Angeles River, one between Sepulveda Boulevard and Kester Avenue, and the other between Coldwater Canyon Boulevard and Whitsett Avenue.

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The construction is currently 78% complete overall. The first Reach is 99% complete in construction, and is open for public use. The second Reach is approximately 38% complete in construction. To date, twenty-three (23) change orders (Attachment 1) have been executed, for a total amount of Six Hundred Ninety Thousand, Eighty-Three Dollars (\$690,083.00), which is 17.2% of the original awarded contract amount.

The Department of Public Works, Bureau of Engineering (BOE) is requesting that the General Manager be given the authority to negotiate and issue Change Orders, in an amount not to exceed One Million, Nine Hundred Twenty-Five Thousand Dollars (\$1,925,000.00), or forty-eight percent (48%) of the original contract amount to Contract No. 3385 with Simgel Co., Inc., for the work outlined in the body of this report. See Attachment No. 2 for the Change Order Summary, Attachment No. 3 for Negotiated Change Orders, and Attachment No. 4 for Change Orders Pending Negotiation.

Some of the change order work already executed (Attachment 1) includes: Partial compensation for the delayed start of construction, which was due to additional required plan approval by the United States Army Corps of Engineers (USACE). This review occurred as a result of changes in the USACE's policy, which occurred following the award of this project for construction, and has resulted in significant changes in the design versus the as-bid plans. These design changes are reflected in construction grading changes, landscaping and irrigation revisions, the addition of retaining (gabion) walls, and required the addition of a drainage system behind these walls.

Background

The Proposition K – Los Angeles Riverfront Park Project (Project) consists of various phases of improvements to the banks of the Los Angeles River (River) between Studio City and Encino. The Project is funded by the Proposition K – L.A. for Kids Program and is also a part of the Los Angeles River Revitalization Master Plan, adopted by the City Council in May 2007, which envisions an unobstructed bikeway along the banks of the River in the Valley.

The Project design includes construction of paved bike paths, walkways, landscaping and irrigation, gateways and vehicle ramps, paving, seating areas, ornamental fencing, and environmental education amenities. This Project was specified to be located along the River within Encino, Sherman Oaks, and Studio City.

Implementation of the Proposition K specified project is being carried out in phases. Phase I of the Project consists of a segment located in the Studio City neighborhood, along the River between Laurel Canyon Avenue and Whitsett Avenue. This segment was completed in 2009, and is in operation.

Phase II of the Project is being constructed on land owned by the County of Los Angeles (County), under a Land Use Agreement between the County and the City of Los Angeles (City). This phase consists of two Reaches located along the River: Reach 1 is between Sepulveda Boulevard and Kester Avenue; and Reach 2 is between Coldwater Canyon Avenue and

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Whitsett Avenue. Reach 1 was opened to the public on June 2, 2015 and is 99% complete, except for a storm drain that was not included in the original project's as-bid plans. This storm drain has been designed, and is currently in plan check with the USACE. It is approximately 75% complete in plan check. The storm drain work will be issued, as a Change Order, to the Contractor subsequent to the Board's approval of this report.

Construction on Reach 2 is now thirty-eight (38%) complete.

History

Given the time constraints to award the construction contract and obligate the Proposition K funds before the end of Fiscal Year 2011-2012, the Project was advertised and awarded by the Board of Recreation and Park Commissioners on June 6, 2012, prior to receiving the final Land Use Agreement and permit from the County. The Project was awarded for construction to Simgel Construction Inc., Contract No. 3385, in the amount of Four Million, Twelve Hundred Thousand Dollars (\$4,012,000.00), with instructions to postpone the start of construction until the permit was issued by the County. At the time of award, the County had provided all comments and the BOE had completed the corresponding revisions. The BOE was told by the County that upon completion of the Land Use Agreement, the County would be ready to issue the permit, and allow construction to move forward.

While the City was waiting for the issuance of the Land Use Agreement and permit, the County directed the City to submit the design and construction plans to the USACE for review and approval. This requirement was new to the County's clearance process, and not included in prior plan check reviews. The City was informed that the additional review by the USACE was due to changes in procedures due to Hurricane Katrina. The BOE immediately began the process for the application and submitted plans to the USACE.

The USACE permit review involved a full review of the design and construction plans. When comments were received from the USACE, and in order to expedite the Project into construction, the BOE directed its consultant Mia Lehrer and Associates (MLA) to implement the design comments received from the USACE on Reach 1 first. That redesign was completed, and with concurrence from the USACE, the County issued the City a permit to start construction of Reach 1. Construction on Reach 1 began in September 2013. Once that portion of the Project was under construction, efforts were focused on addressing permitting for the Reach 2, located between Coldwater Canyon and Whitsett Avenues.

The comments and modifications requested by the USACE generated fairly major changes in the scope of work for both Reach 1 and Reach 2 from the original as-bid plans. For example, the USACE insisted that any new construction be relocated away from the River channel, so as not to place any loading on the channel walls. These design changes are reflected in the revised design of all entrance ramps, landscaping and irrigation, construction grading changes, and the addition of retaining (gabion) walls and drainage behind these walls.

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For Reach 2, the USACE also included the requirement to do a full redesign of the entrance ramp at the Coldwater Canyon Avenue entrance to the River. The USACE changes require the ramp be constructed on caissons (piles), to eliminate any additional loading (weight) on the adjacent river walls. The Permit for the construction of Reach 2 was issued by the County on May 21, 2015 and a Notice to Proceed was issued to the Contractor. The Ground Breaking ceremony was held for Reach 2 on June 2, 2015. Reach 2 construction is approximately 38% complete to date.

The BOE is currently negotiating with the Contractor for the cost of changes to the original scope of work required by the USACE plan check comments. In addition, due to the time that has elapsed since award of the Project, the contractor has submitted a Request for Equitable Adjustment (REA) to account for the cost escalation of materials from the time of the submission of their original bid to now, compensation (Contractor Overhead) for the delayed start of construction and the contract time extension, the addition of a new storm drain at Columbus Avenue, and other items. See Attachment No. 2 for Change Orders pending negotiation.

Status of Funding

There is no impact to the General Fund, as current costs will be funded by Proposition K Funds. Sufficient funds remain in construction contingency and project reserve accounts to complete these construction changes. Funding is available in the following accounts:

<u>FUNDING SOURCE</u>	<u>FUND/DEPT/ACCT NO.</u>
Proposition K – Fiscal Year 2002	43K/10/10S232
Proposition K – Fiscal Year 2003	43K/10/10T232
Proposition K – Fiscal Year 2004	43K/10/10V232
Proposition K – Fiscal Year 2006	43K/10/10Y232
Proposition K – Fiscal Year 2007	43K/10/10A232
Proposition K – Fiscal Year 2008	43K/10/10C232
Proposition K – Fiscal Year 2009	43K/10/10E232
Proposition K – Fiscal Year 2012	43K/10/10H232
Proposition K – Fiscal Year 2015	43L/10/10A232
Proposition K – Fiscal Year 2011	43L/10/10G232
Proposition K – Fiscal Year 2012	43L/10/10H232
Proposition K – Fiscal Year 2007	46A/10/10H232

FISCAL IMPACT STATEMENT

The Project, and the change orders authority requested in this Board Report, are funded by Proposition K funding, which has been previously approved for the Project. There is no immediate fiscal impact to the Department's General Fund. However, operations and maintenance costs will be evaluated and included in future Department budget requests.

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This Report was prepared by Jaime Contreras, Project Manager, BOE Recreational and Cultural Facilities Division. Reviewed by Neil Drucker, Program Manager, BOE Recreational and Cultural Facilities Division; Deborah Weintraub, BOE, Chief Deputy City Engineer; and Cathie Santo Domingo, Superintendent, Planning, Construction and Maintenance Branch.

LIST OF ATTACHMENTS

- 1) Change Order & Change Order Request Log
- 2) Change Order Summary
- 3) Negotiated Change Order Requests as of May 5, 2016
- 4) Change Order Requests Pending Negotiation as of May 5, 2016

CO & CO Request Log: Los Angeles Riverfront Park - Phase II W.O.No.: E170406

CO No	CO Req	DESCRIPTIONS	PCO ECO Date	GC Prop Amount	Proposal Date	CMD Est Amount	Apprvd Amount	Apprvd Date	Change Order Status	FCO Date	C O Type	Pymt Type	Cal Days Req	Apr'd Comp Cal Days	Apr'd Non Comp Cal Days	REMARKS
001	1	Price Adjustment for Steel and Electrical Products	01/30/13	\$ 90,524.00	01/30/13	\$ 90,524.00	\$ 90,524.00	03/11/13	Executed	03/11/13	U	LS	90	0	90	
002		GR Modification: Payment for Materials Stored Off Site	08/18/13	\$ -	08/18/13	\$ -	\$ -	08/19/13	Executed	08/19/13	U	LS	61	0	0	
003		Time Extension for Redesign	08/23/13	\$ 80,000.00		\$ 80,000.00	\$ 60,000.00	08/23/13	Executed	08/27/13	S	LS	124	0	124	Additional 10K on CO 22
005	4.2	Rubble During Grading		\$ 4,476.00	11/12/13	\$ -	\$ -		Cancelled							Showin in bid docs
006	4.1.1	Tree and Shrub Removal	09/05/14	\$ 15,316.00	11/12/13	\$ 7,158.00	\$ 36,308.00	08/20/14	Executed	08/05/14	E	LS	0	0	0	
007	4.1.2	Unforeseen Material During Trenching of Electrical		\$ 4,476.00	11/12/13	\$ -	\$ -		Cancelled							Repetitive, see 005.
008	4.1.5	SWPPP Fees		\$ 842.00	11/12/13	\$ -	\$ -		Cancelled							
009	4.1.3	Drainage behind Gablions	01/18/15	\$ 175,240.00	11/12/13	\$ 2,515.00	\$ 88,174.00	11/20/14	Executed	01/18/15	E	LS	0	0	0	GC required to pay all fees
010	4.1.10	5 Credit Signs	05/23/14	\$ 23,784.00	05/23/14	\$ 8,800.00	\$ 15,083.00	08/20/14	Executed	09/05/14	E	LS	0	0	0	
011	4.1.4	PVC Coating Upgrade	05/23/14	\$ 20,153.00	05/23/14	\$ 14,670.00	\$ 18,084.00	08/17/14	Cancelled		S	LS	0	0	0	Required by contract: See Geotech Report
012	4.1.15	Catch Basin at Lemona	08/20/14	\$ 30,084.00	05/23/14	\$ 11,324.00	\$ 27,355.00	08/20/14	Executed	08/05/14						
013	4.1.7	Verdura Wall Design	07/17/14	\$ 5,990.00	07/17/14	\$ 2,915.00	\$ 5,990.00	08/19/14	Executed	09/04/14	E	LS	0	0	0	
014	4.9	Expansion Joint in Wave Fence	05/23/14	\$ 9,770.00	05/23/14	\$ 3,187.00	\$ 9,145.00	09/05/14	Executed	09/05/14	U	LS	0	0	0	
015	4.1.6	Additional Gabion Walls 9x65-10x54	05/23/14	\$ 219,162.00	05/23/14	\$ 82,349.00	\$ 22,747.00	11/24/14	Executed	01/14/15	E	LS	0	0	0	
016	4.1.6	Additional Gabion Walls RFI 43	05/23/14	\$ 219,162.00	05/23/14	\$ 87,409.00	\$ 87,409.00	11/24/14	Executed	01/14/15	E	LS	0	0	0	
017	4.1.6	Additional Gabion Walls 25x25 - 27x36	05/23/14	\$ 219,162.00	05/23/14	\$ 87,409.00	\$ 53,928.00	11/24/14	Executed	01/14/15	E	LS	0	0	0	
018	4.1.6	Earthwork for Gabion Wall Drainage	11/24/14	\$ 219,162.00	05/23/14	\$ 87,409.00	\$ 57,840.00	11/24/14	Executed	01/14/15	E	LS	0	0	0	
019	4.24	Concrete Encase Storm Drain at Noble	09/24/14	\$ 2,518.00	08/12/14	\$ 1,163.00	\$ 2,200.00	09/24/14	Executed	04/09/15	U	LS	30	0	30	30 days added to negotiate all delays since CO 003 within a month
020	4.25	Dump Fee Costs	04/08/15	\$ 42,425.00	12/04/14	\$ 24,364.00	\$ 24,364.00	04/10/15	Executed	04/10/15	U	LS	0	0	0	
021	4.13	Grade Lowering of Entire Bike Path	04/22/15	\$ 107,255.00	05/23/14	\$ 22,201.00	\$ 22,201.00	04/22/15	Executed	04/22/15	E	LS	0	0	0	UNILATERAL CO
022	4.11	Delay Compensation and 60 Day Time Extension	04/28/15	\$ 20,000.00	08/08/13	\$ 10,000.00	\$ 10,000.00	08/15/13	Executed		U	LS	0	0	60	
025	31	Bike Lane Striping Reach 1	08/10/15	\$ 12,283.00	06/29/15	\$ 9,350.00	\$ 8,794.00	08/04/15	Executed	08/10/15	S	LS	0	0	0	
026	19	Kester Entrance Ramp Reconfiguration	08/04/15	\$ 13,844.00	06/29/15	\$ 2,060.00	\$ 12,000.00	07/15/15	Executed	08/04/15	S	LS	0	0	0	
027	29	Pressure Regulator for Drinking Fountain	08/08/15	\$ 1,745.00	06/25/15	\$ 1,089.00	\$ 1,545.00	07/15/15	Executed	08/08/15	U	LS	0	0	0	
028	26	Repair of AC Berm at Kester Entrance	08/10/15	\$ 32,620.00	06/30/15	\$ 8,560.00	\$ 20,000.00	07/15/15	Executed	08/10/15	S	LS	0	0	0	
029	32	Lock Lids at Electrical Pull Boxes	08/11/15	\$ 14,172.00	06/25/15	\$ 10,618.00	\$ 12,272.00	08/12/15	Executed	09/12/15	S	LS	0	0	0	
030	33	Sandy Loam at Bioswale	08/28/15	\$ 31,109.00	08/12/15	\$ 7,404.00	\$ 21,224.00	08/04/15	Executed	08/31/15	S	LS	0	0	0	
Original Contract Price			\$ 4,012,000.00	Change Order Status		Executed	C O Type		U Unforeseen	\$ 137,778.00	Change Order		18 %	Executed Change Orders		
Original Contingency			\$ 1,003,000.00	Approved Comp Cal Days		Negotiated	Pymt Type		E Errors & Omissions	\$ 389,660.00	Percentage		55 %	Forecasted Change Orders		\$ 690,085.00
Revised Contract Price			\$ 690,083.00	Approved Non Comp Cal Days		Unresolved	Change Order		S Change in Scope	\$ 153,374.00	Percentage		22 %	Cancelled Change Orders		\$ -
Outstanding Contingency			\$ 4,792,043.00	304 Cal Days		Cancelled	Change Order		LS Lump Sum	\$ -	Percentage		0 %	Cancelled Change Orders		\$ -
Num. Of Approved Days			\$ 312,917.00				CAN Cancelled			\$ -	Percentage		17.2 %			4

Footnotes

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1. Percentages of Change Order Types are based on approved dollar amounts.
2. Forecasted Change Orders = Unresolved + Negotiated

Description	QTY	Total Cost
Executed Change Orders	23	\$ 690,083.00
Negotiated Change Orders	17	\$ 204,539.00
Forecasted and Non-Negotiated CO	14	\$ 1,026,080.00
Total Change Orders	54	\$ 1,920,702.00

COR	CO	BIC	GC Requests	Description	City Estimate	Final	Remarks
8	58	PM	\$ -	Fence around utilities Reach 1	\$ (720.00)	\$ -	Work completed
12	4	PM	\$ 38,409.00	Delivery of Material at VNSO	\$ 6,000.00	\$ 24,000.00	Work completed
18	58	PM	\$ 47,618.00	Grading at Mini Park	\$ (4,800.00)	\$ -	Work completed
22	41	PM	\$ (2,400.00)	Credit for Sepulveda Wall Demo	\$ (1,500.00)	\$ (2,400.00)	Negotiated 11/20/15
25	33	PM	\$ 50,323.00	Dump Fee for Soil - Additional Invoices	\$ 3,422.64	\$ 7,181.00	Work completed
30R1	23	PM	\$ 37,892.00	Curb and DG at Noble	\$ 14,228.00	\$ 24,500.00	Work completed
34	24	PM	\$ 6,144.00	Construction Credit Signs Reach II	\$ 3,426.00	\$ 6,025.00	Work completed
35	34	PM	\$ 2,685.00	Reach II Permit Set Prints and CD	\$ 2,395.00	\$ 2,395.00	Work completed
38	35	PM	\$ 42,126.00	Epoxy Bolts for Wave Fence at Reach 2	\$ 15,040.00	\$ 30,524.00	Work completed
40	42	PM	\$ 9,742.00	Thermoplastic Logos at Reach 1	\$ 3,816.00	\$ 8,553.00	Work completed
46	43	PM	\$ 7,738.00	Tree and Mulch Removal	\$ 2,000.00	\$ 4,950.00	Work completed
47	52	GC	\$ 24,539.00	Interest on Delayed Payments	\$ 4,345.00	\$ 4,345.00	10% of actual delays only. GC wants impact costs for loan processing etc.
48	44	PM	\$ 3,293.00	Access Gate at Coldwater Canyon Abbutment Reach 2	\$ 2,650.00	\$ 2,650.00	Work pending
51	32	GC	\$ 3,358.00	BFPV Drinking Fountain Reach 1	\$ 3,358.00	\$ 3,358.00	Work completed
52	53	CM	\$ 25,347.00	Escalation of Costs for Stones Reach 1	\$ 12,675.00	\$ 24,500.00	Work completed
54	45	PM	\$ 2,983.00	CCTV of Storm Drain Outlet Reach 2	\$ 2,983.00	\$ 2,983.00	Price reasonable lump with CO 040
56	46	PM	\$ 19,424.00	Safety Fence Installation Change	\$ 8,960.00	\$ 15,000.00	Scope on City Estimate did not provide sufficient equipment and labor costs.
57.1	47	PM	\$ 9,684.00	Price Escalation of Gabion Materials	\$ 8,641.00	\$ 8,966.00	
61	37	PM	\$ 37,394.00	Light Pole Footing Modification	\$ 25,444.00	\$ 32,366.00	
TBD	56	RAP	\$ 14,678.00	Delete Recessed Seat Walls	\$ (63,437.00)	\$ (15,000.00)	
				Electrical Pullbox Lock Lids	\$ 12,500.00	\$ 14,000.00	Add per RAP (Reach 2)
63	48	PM	\$ 7,687.00	Verdura Wall Design	\$ 5,990.00	\$ 5,643.00	As paid for Reach 1. City Estimate was for two ramps. One Ramp was changed.
				Total:	\$	\$ 204,539.00	

COR	CO	BIC	City Estimate	Description	Remarks
TIA	49	GC	\$ 300,000.00	Compensable Time for Reach 2	\$20K per month was Reach 1 rate.
Corr.	31	GC	\$ 376,000.00	Changes to Coldwater Canyon Entrance	GC providing additional info
	4	PM	\$ 114,642.00	Catch Basin at Columbus	Pending Permit from Others.
	6	PM	\$ 21,015.00	USACE Plan Changes	Need final design for Reach 2
41R	51	CM	\$ 51,076.00	Landscaping Price Adjustment Reach 1	To be finalized this week
	55	PM	\$ -	Additional Gabions at Reach2	Need final design for Reach 2
TBD	55	PM	\$ 18,347.00	Lane Striping and Logos	Add per Prop K (Reach 2)
	62	TBD	\$ -	Gravel for Gabion Drainage	Lump with CO 040; partial corrective work
TBD	40	PM	\$ 120,000.00	Additional Gabion and Stakes for Passive Force Generation	Need final design for Reach 2
TBD	57	PM	\$ 25,000.00	Relocate Catch Basins to Bike Path	Need final design for Reach 2
Total:			\$ 1,026,080.00		