



# STAFF REPORT

TO: Mayor and Members of the City Council  
 FROM: Brad Donohue, Director of Public Works  
 VIA: Brian Dossey, City Manager  
 MEETING DATE: July 14, 2021  
 SUBJECT: Mission Road Improvement Project, Notice of Completion & Budget Amendment

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## RECOMMENDATION

Staff recommends that the City Council adopt the following:

RESOLUTION ACCEPTING THE MISSION ROAD BICYCLE AND PEDESTRIAN IMPROVEMENT PROJECT AS COMPLETE, DIRECTING THE DIRECTOR OF PUBLIC WORKS TO FILE A NOTICE OF COMPLETION FOR THE PROJECT WITH THE SAN MATEO COUNTY RECORDER'S OFFICE, AND AUTHORIZING A BUDGET AMENDMENT

## EXECUTIVE SUMMARY

In June 2021, RK Engineering (RKE) completed contract work for the Mission Road Bicycle & Pedestrian Improvement Project (Project). RKE performed the Project scope of work and approved extra work between June 2020, when the contract was awarded, through June 2021. RKE and the Town's contract obligations are now fully complete, and the Town should move forward with filing Notice of Completion for the Project. The Project is estimated to be overbudget by the amount of \$48,232.16, and staff is requesting that City Council approve a budget amendment in the amount of \$60,000.00 to cover this overage and any other minor unforeseen costs not accounted for.

## FISCAL IMPACT

The City Council approved Project budget is \$2.8 million. The total project cost came to \$2,848,232.16. The construction cost exceeded the construction budget by \$48,232.16. Staff is requesting that the Project budget be increased \$60,000. Funding for this Project budget increase is expected to come from The Town's gas tax reserve in the amount of \$30,000 and Measure A in the amount of \$30,000.

## **BACKGROUND**

The Town applied for and was granted funds to improve pedestrian and bicycle mobility in the Mission Road area. What originally started off as an improvement project for ADA upgrades and bike path improvements has grown to be a project to help revitalize the Mission Road Commercial/Residential District by providing continuous pedestrian walkways and bicycle paths, installing several high visible crosswalks, street lighting, green landscaping infrastructure and other improvements.

The Project was awarded to RKE on June 28, 2020. The Project involved working within an established residential and commercial neighborhood. The Project objectives included construction of Project as well as working with various businesses, the nearby cemetery and residents to minimize construction impacts in order to keep their day-to-day activity as close to normal as possible. The Project was slightly delayed due to the cold weather which prevented the contractor from performing the temperature sensitive roadway surface treatment. The Project also required several change orders that involved conforming paving to match new sidewalk to old driveways, leveling pavement in certain areas of the roadway, extra sidewalk work to eliminate sidewalk ponding, unforeseen drainage work and enhancements, extra costs from CalWater for meter connections and PG&E relocation costs associated with electrical connections.

RKE substantially completed the Project along with all extra work in June 2021.

## **ANALYSIS**

Project cost overruns were mostly due to various betterments that were incorporated into the Project during construction and extra time spent for onsite inspection. In estimating this Project, it was assumed that construction management services would be needed anywhere from half time to three quarter time. As it turned out construction management services and observations to oversee construction activities, traffic control adherence and business outreach and compliance with the CalTrans Quality Assurance Program required increasing these construction management services to meet daily demand. Other contract change orders and bid items extensions, (Bid items that went over the estimated quantities) that were approved are as follows:

- Extra asphalt paving included areas of the roadway that needed to be leveled, These were areas where the roadway had potential for ponding to occur or where new curb, gutter and sidewalk was installed, and driveway conforming paving, so the new sidewalk conformed to the older driveway.
- Extra concrete work: certain areas of the older sidewalk were removed to conform to the new sidewalk, replacement of portions of existing sidewalk with proper slope to prevent ponding, new bulb out at the beginning of Mission Road to assist in slowing vehicles as they enter mission Road from El Camino Real., install rebar in various driveways where heavy loads will be travelling over the concrete driveway apron and sidewalk. Modify certain streetlight foundations, and unforeseen conditions.
- Drainage enhancements/improvements in various locations.

- Extra landscaping: install turf behind sidewalk at the cemetery, tree pruning to install new streetlights, installation of river rock in landscape areas to defuse the water flow into the bio-retention planter areas.

Staff requests the City Council accept work performed on the Project and authorize the Director of Public Works to file a Notice of Completion with the San Mateo County Recorder's Office.

The filing of the Notice of Completion means:

- The Town is satisfied RKE has completed the Project in accordance with the plans and specifications.
- At the time of the filing of the Notice of Completion, there has not been a claim filed against the Town.
- The Town accepts RKE's work as complete.
- The time frame for the filing of stop payment notice claims is shortened once the Notice of Completion has been filed with the San Mateo County Recorder's Office
- If no claims from subcontractors and suppliers have been filed with the Town, the Town can release the remaining 5% retention to RKE in the amount of \$110,046.65.

To date there have been no stop notices or claims filed with the Town for the Project.

Staff also requests that City Council approve a budget amendment in the amount of \$60,000 for the Project.

### **Council Adopted Values**

By approving and accepting the Project as complete, the City Council has reviewed and approved the work performed by RKE, thus taking a *Responsible* position requesting that the Notice of Completion be filed with the County Recorder's Office and that final payment be timely made to RKE.

### **Alternatives**

The City Council can choose not to adopt the resolution accepting the Project and directing the filing of the Notice of Completion for the Project and not approving the CIP Budget Amendment. The Town would then not accept the Project as complete and file the Notice of Completion with the San Mateo County Recorder's Office nor release retention to RKE and close out the construction contract. Such action would increase the time for subcontractors and material suppliers to file claims and could result in penalties under prompt payment laws.

### **CONCLUSION**

Staff has reviewed the completed work and recommends that the City Council adopt the resolution thereby accepting the Project as complete and authorizing the Director of Public Works to file a Notice of Completion with the San Mateo County Recorder's Office and approve the requested budget amendment to make final payment to RKE.

### **ATTACHMENTS**

- A. Resolution
- B. Notice of Completion – Mission Road Bicycle and Pedestrian Improvement Project



**RESOLUTION NO. 2021-\_\_**  
**OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION ACCEPTING THE MISSION ROAD BICYCLE AND PEDESTRIAN  
IMPROVEMENT PROJECT AS COMPLETE, DIRECTING THE DIRECTOR OF PUBLIC  
WORKS TO FILE A NOTICE OF COMPLETION FOR THE PROJECT WITH THE SAN MATEO  
COUNTY RECORDER'S OFFICE, AND AUTHORIZING A BUDGET AMENDMENT**

The City Council of the Town of Colma does hereby resolve:

**1. Background.**

(a) The Town of Colma opened bids for the Mission Road Bicycle and Pedestrian Improvement Project – CIP 903 ("Project") on May 21, 2020.

(b) Town Staff determined that RK Engineering, Inc. was the lowest responsible bidder, submitting a responsive bid in the amount of \$2,138,934.00, and the City Council awarded a construction contract to RK Engineering for \$2,138,934.00. The total Project budget as approved by the Town was \$2,800,000.00.

(c) The Project as completed was over budget by \$48,232.16, requiring approval of a budget amendment by the City Council to cover this amount and other small contingency amounts that may arise.

(d) RKE Engineering substantially completed work on the Project in June 2021 and has now fully completed all work including punch list items.

**2. Finding.**

(a) The City Council finds that the Project is complete to the satisfaction of the Town.

(b) The City Council finds that a budget amendment in the amount of \$60,000 is warranted, and that such amount should be covered by the Town's gas tax reserve (\$30,000) and Measure A funds (\$30,000).

**3. Order**

(a) The Project is accepted as complete.

(b) The Director of Public Works is authorized and directed to execute and file a Notice of Completion for the Project with the San Mateo County Recorder's Office.

(c) The FY 2020-21 Adopted Budget for the Town of Colma is hereby amended to divert a total sum of \$60,000, comprised of \$30,000 from the gas tax reserve fund and \$30,000 from Measure A funds. The sum of \$60,000 shall then be reallocated to the budget for this Project.

(d) Town staff is directed to release the 5% retention to RK Engineering within 30 days of the recording of the Notice of Completion for the Project in accordance with applicable prompt payment laws.

**Certification of Adoption**

I certify that the foregoing Resolution No. 2021-19 was duly adopted at a regular meeting of said City Council held on July 14, 2021 by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Diana Colvin, Mayor					
Helen Fiscaro					
Raquel Gonzalez					
Joanne F. del Rosario					
John Irish Goodwin					
<i>Voting Tally</i>					

Dated \_\_\_\_\_

\_\_\_\_\_   
 Diana Colvin, Mayor

Attest: \_\_\_\_\_   
 Caitlin Corley, City Clerk