



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

Prepared by: April Miller,
Director of Public Works

City Manager Approval: 

TOPIC: THIRD STREET REHABILITATION PROJECT

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT CHANGE ORDER FOR THE THIRD STREET REHABILITATION PROJECT TO GHILOTTI BROS. INC. IN THE AMOUNT OF \$298,795 FROM THE PROJECT CONTINGENCY

RECOMMENDATION: Staff recommends that the City Council:

Adopt a resolution authorizing the City Manager to execute a Contract Change Order for the Third Street Rehabilitation Project to Ghilotti Bros. Inc. (GBI) in the amount of \$298,795 from the project contingency.

BACKGROUND: On February 7, 2022 the San Rafael City Council awarded the construction contract for the Third Street Rehabilitation Project to Ghilotti Bros., Inc. in an amount of \$18,248,708 and authorizing contingency funds of \$2,551,292 for a total appropriated amount of \$20,800,000.

Construction started on March 7, 2022, and during the excavation and clearing and grubbing for the installation of the planned soldier pile retaining wall on Second Street, the contractor encountered bed rock closer to the surface than the plans had predicted. There were also multiple large boulders that were at risk of falling down the hillside.

ANALYSIS: Due to the unforeseen conditions found during the clearing and grubbing of the Second Street retaining wall area, changes to the plans were required. The changes resulted in a negotiated contract change order of \$298,795.

FISCAL IMPACT: The previously allocated total amount for the project of \$20,800,000 included a construction contingency of \$2,551,292. There is no additional allocation required to execute this contract change order because the existing construction contingency can absorb the contract change order.

OPTIONS: Therefore, the City Council may adopt the resolution relating to this matter as follows:

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2

1. Adopt a resolution authorizing the City Manager to execute a Contract Change Order for the Third Street Rehabilitation Project to Ghilotti Bros. Inc. (GBI), in the amount of \$298,795 from the project contingency.
2. Do not adopt the resolution and provide further direction to staff. Not adopting the resolution will delay the project and will impact the project's completion date impacting traffic delays and delaying critical improvements.

RECOMMENDED ACTION: Staff recommends the City Council adopt the resolution authorizing the City Manager to execute a contract change order for the Third Street Rehabilitation Project to Ghilotti Bros. Inc. in the amount of \$298,795 from the project contingency.

ATTACHMENT:

1. Resolution

RESOLUTION NO.

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT CHANGE ORDER FOR THE THIRD STREET REHABILITATION PROJECT TO GHILOTTI BROS. INC. IN THE AMOUNT OF \$298,795 FROM THE PROJECT CONTINGENCY

WHEREAS, on February 7, 2022 the San Rafael City Council awarded and authorized the City Manager to execute a construction agreement with Ghilotti Bros. Inc. in the amount of \$18,248,708 and authorized a construction contingency in the amount of \$2,551,292 for a total appropriated amount of \$20,800,000; and

WHEREAS, on March 7, 2022 construction of the project began; and

WHEREAS, unforeseen conditions required design changes to the plans and resulted in a contract change order in the amount of \$298,795; and

WHEREAS, the City of San Rafael municipal code requires City Council approval of construction contracts or allocations over \$175,000; and

WHEREAS, staff has recommended City Council authorize the City Manager to execute a contract change order in the amount of \$298,795 with Ghilotti Bros. Inc., from the construction contingency.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES as follows:

1. The City Manager is authorized and directed to execute a contract change order with Ghilotti Bros. Inc., in the amount of \$298,795, subject to final approval as to form by the City Attorney.
2. Funds totaling \$298,795 will be used to execute this contract change order. These funds will be deducted from the previously allocated construction contingency in the amount of \$2,551,292.
3. The Director of Public Works is hereby authorized to take any and all such actions and make changes as may be necessary to accomplish the purpose of this resolution.

I, Lindsay Lara, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the

City Council of said City held on Monday, the 1st of August 2022 by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

File No.: 16.01.283