



**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: AUTHORIZE THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH COASTLAND CIVIL ENGINEERING, INC. FOR CONSTRUCTION MANAGEMENT, INSPECTION, AND MATERIAL TESTING SERVICES ASSOCIATED WITH THE THIRD STREET REHABILITATION PROJECT, IN AN ADDITIONAL AMOUNT NOT TO EXCEED \$380,000**

**RECOMMENDATION:**

Authorize the City Manager to execute a first amendment to the agreement with Coastland Engineering, Inc. (Coastland) for construction management, inspection, and material testing services associated with the Third Street Rehabilitation project, in an amount not to exceed \$380,000, increasing the total not-to-exceed amount under the agreement to \$1,548,300.

**BACKGROUND:** In 2004, the Transportation Authority of Marin (TAM) established the Measure A Expenditure Plan (Plan), a voter-approved sales tax providing funds for major roadway projects in Marin County. Plan projects were prioritized based on roadway condition, traffic volumes, transit frequency, and existing bicycle and pedestrian access. Approximately \$12.9 million in Measure A funds has been allocated from TAM for design and construction of the Third Street Rehabilitation project.

Prior to going out to bid, on June 21, 2021 the City Council awarded the construction management, inspection, and material testing contract to Coastland Civil Engineering, Inc. for \$1,168,300. This allowed Coastland to do a constructability review prior to construction commencing in March 2022.

On February 7, 2022, the City Manager executed a contract award with Ghilotti Bros. Inc., for their bid amount of \$18,248,707.54 and approved a contract contingency in the amount of \$2,551,292.46 for a total of \$20,800,000. The City Manager also executed a reimbursement agreement between the City of San Rafael and the San Rafael Sanitation District and Marin Municipal Water District for their pipeline projects, Construction Management and paving restoration.

More information about the project, including prior meetings, timeline, and design details can be found on the City of San Rafael [website](#).

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

**ANALYSIS:** Construction Inspection on the project has proved to be challenging with the length of the project and multiple operations going on in different locations along the project limits. To continue to stay on schedule with multiple operations happening concurrently, the project has required multiple inspectors per day. This has resulted in a higher rate of expenditures for the construction management and inspection contract.

**FISCAL IMPACT:** The additional cost of \$380,000 will be funded cooperatively by the City of San Rafael and the San Rafael Sanitation District using the available contingency balance for construction. The contingency amount of \$2,551,292.46 shall be reduced to \$2,171,292.46 to allocate \$380,000 for additional construction management and inspection.

**OPTIONS:** The City Council has the following options to consider relating to this matter:

1. Authorize the City Manager to enter into the amended agreement as recommended.
2. Do not authorize the City Manager to enter into the amended agreement and provide further direction to staff.

**RECOMMENDED ACTION:** Authorize the City Manager to execute a first amendment to the agreement with Coastland Engineering, Inc. (Coastland) for construction management, inspection, and material testing services associated with the Third Street Rehabilitation project, in an amount not to exceed \$380,000, increasing the total not-to-exceed amount under the agreement to \$1,548,300.

**ATTACHMENT:**

1. Consultant Proposal



# Coastland

Civil Engineering - Construction Management - Building Dept. Services

December 12, 2022  
Revised December 14, 2022  
Revised March 6, 2023  
Revised March 24, 2023

April Miller  
Director  
City of San Rafael Department of Public Works  
111 Morpew St.  
San Rafael, CA 94901

Subject: **3rd Street Rehabilitation Project  
Request for Contract Amendment #1**

Dear Shawn:

This letter is to request a contract amendment for Coastland’s Construction Management and Inspection services for the 3<sup>rd</sup> Street Rehabilitation Project in the amount of **\$380,000.00**.

The reason for the anticipated budget over-run is as follows:

1. The sewer replacement Subcontractor is significantly behind schedule for reasons that are neither the City’s nor Coastland’s fault. We had anticipated one full time and one part time inspector in our initial proposal. The sewer replacement work has required full time inspection plus a full-time inspector to cover the remaining contract work.
2. The required overtime inspection has already exceeded our estimate of the number of overtime hours required.

We estimate that from today’s date, there will be a total of 90 days on-site inspection left to complete the remaining contract work.

One full time Inspector for remaining contract work: 720 hours @ \$165/hour.....	\$118,800.00
One full time Inspector for remaining sewer work: 400 hours @ \$165/hour .....	\$66,000.00
Inspection Overtime hours : 140 hours @ \$247.50/hour .....	\$34,650.00

Subtotal Inspection ..... **\$219,450.00**

We also anticipate the following Construction Management work to Project Close Out:

Construction Manager: 500 hours @ \$185/hour .....\$92,500.00

Subtotal Construction Management ..... **\$92,500.00**

Vehicle Hours: 1,400 hours @ \$17/hour ..... **\$23,800.00**

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11810 Kemper Road Auburn, CA 95603 530.888.9929 530.889.9979 Fax

[www.coastlandcivil.com](http://www.coastlandcivil.com)

Subtotal of additional estimated work..... \$335,750.00  
Budget addition for Material Testing..... \$44,250.00  
**Total Extra Work.....\$380,000.00**

If you have any questions, please call me at (707) 494-6464.

Sincerely,



Mike Janet  
Construction Services Manager

cc: John Wanger; Andrea Tidwell

