



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**July 16, 2024**

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**TOPIC:** First Street Slope Stabilization Project

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**AGENDA TITLE**

Additional Contingency Funds in the Amount of \$625,000 for an Existing Construction Contract with EverLevel Holdings, LLC for the First Street Slope Stabilization Project (Project No. 22-1341) (**Revive Santa Ana Program**)

**RECOMMENDED ACTION**

1. Approve an amendment to the Project Cost Analysis in the amount of \$625,000 in additional contingency funds for a new total estimated construction delivery cost of \$6,725,000.
2. Approve an amendment to the Fiscal Year 2024-25 Capital Improvement Program to include \$625,000 of American Rescue Plan Act (ARPA) funds for the First Street Slope Stabilization Project (22-1341).

**GOVERNMENT CODE §84308 APPLIES:** Yes

**DISCUSSION**

The Public Works Agency is overseeing the construction of the First Street Slope Stabilization Project (Project). The Project includes the installation of decorative concrete along the slopes near the railroad undercrossing, new security fencing, and a stormwater treatment device (Exhibit 1). The goal of the project is to improve water quality and address stormwater pollution via the stabilization of the dirt slopes, elimination of trespassing and encampments, and installation of a stormwater treatment device. The project will also enhance the aesthetics of this important gateway to Downtown Santa Ana.

On December 20, 2022, the City Council awarded a construction contract to EverLevel Holdings, LLC for the First Street Slope Stabilization Project. The project is currently under construction and is anticipated to be completed in September 2024. The original contingency amount of \$450,000 was utilized via change order #1 to deal with unforeseen site conditions, install skate stoppers, widen the sidewalk by 18 inches for ADA compliance, and facilitate other necessary changes triggered by the sidewalk widening, such as the installation of new curb and gutter, and improvements to the anchor wall (Exhibit 2). \$625,000 of additional contingency funding is needed to facilitate potential change orders on the northside slope so it is consistent with the

southside slope, replace damaged curb and gutter, improve drainage around the stormwater lift station, install additional security fencing, and deal with unforeseen site conditions and unsuitable soil.

The recommended action will increase the project contingency by \$625,000, thereby increasing the total estimated construction delivery cost to \$6,725,000, as indicated in the Cost Analysis (Exhibit 3) and as summarized in the table below:

<b>Project Item</b>	<b>Current Total</b>	<b>Additional Funding</b>	<b>New Total</b>
Construction Contract Bid Amount	\$5,018,520	\$0	\$5,018,520
Construction Administration, Inspection, and Testing	\$581,000	\$0	\$581,000
Contract Contingencies	\$500,480	\$625,000	\$1,125,480
<b>TOTAL ESTIMATED CONSTRUCTION DELIVERY COST</b>	<b>\$6,100,000</b>	<b>\$625,000</b>	<b>\$6,725,000</b>

### **FISCAL IMPACT**

As indicated in the Cost Analysis, the total estimated construction delivery cost of the project is \$6,725,000, which includes the construction contract, contract administration, inspection, testing, and an authorized contingency.

On December 20, 2022, City Council approved \$5,600,000 of American Rescue Plan Act (ARPA) funding for this project. On April 15, 2024, under City Manager authorization, an additional \$500,000 was allocated to this project. At this time, an additional \$625,000 of ARPA funding will be allocated to the contingency and added to the FY 2024-25 CIP (Exhibit 4).

The following table summarizes funds budgeted and available in current FY 2024-25 for expenditure to complete construction of this project. Any remaining balances not expended at the end of the fiscal year will be presented to City Council for approval of carryovers to FY 2025-26.

<b>Fiscal Year</b>	<b>Accounting Unit - Account No. (Project No.)</b>	<b>Fund Description</b>	<b>Accounting Unit - Account No. Description</b>	<b>Amount</b>
<b>Original Project Budget</b>				
2024-25	18117013-66220 (22-1341)	American Rescue Plan Act (ARPA)	ARPA-PWA, Improvements Other Than Buildings	\$6,100,000
<b>Additional Funding</b>				

<b>Fiscal Year</b>	<b>Accounting Unit - Account No. (Project No.)</b>	<b>Fund Description</b>	<b>Accounting Unit - Account No. Description</b>	<b>Amount</b>
2024-25	18117013-66220 (22-1341)	American Rescue Plan Act (ARPA)	ARPA-PWA, Improvements Other Than Buildings	\$625,000
<b>Total</b>				<b>\$6,725,000</b>

**EXHIBIT(S)**

1. Location Map
2. Change Order #1
3. Cost Analysis
4. First Street Slope Project FY 2024-25 CIP Sheet

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Alvaro Nuñez, Acting City Manager