



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
August 17, 2021

TOPIC: Saint Gertrude and Grand Avenue Water Main Replacement

AGENDA TITLE

Approve an Appropriation Adjustment and Additional Contingency Funds in the Amount of \$906,476 for an Existing Construction Contract with All Cities Engineering, Inc., and Additional Contract Administration, Inspection and Testing in the Amount of \$118,237 with an Estimated Project Delivery Cost of \$4,357,067, for the Saint Gertrude and Grand Avenue Water Main Replacement Project (Project No. 15-6446) (Non-General Fund)

RECOMMENDED ACTION

1. Approve an appropriation adjustment recognizing \$1,024,713 in prior year fund balance in the Water Fund, Public Works Water Revenue, Prior Year Carry Forward revenue account, and appropriating the same amount into the Acquisition & Construction, Water Utility Capital Projects, Water Capital Project expenditure account.
2. Approve an amendment to the Project Cost Analysis in the amount of \$1,024,713 for \$906,476 in additional contingency funds and \$118,237 in additional contract administration, inspection and testing for a new estimated total construction delivery cost of \$4,357,067. The new estimated total construction delivery costs include \$2,563,350 for the construction contract, \$502,741 for contract administration, inspection and testing, and a \$1,290,976 project contingency for unanticipated or unforeseen work, subject to non-substantive changes approved by the City Manager and City Attorney.
3. Approve an amendment to the Fiscal Year 2021-22 Capital Improvement Program for \$1,024,713, which includes \$118,237 in construction engineering funds and \$906,476 for construction contingency funds, for the St Gertrude and Grand Water Main Project (15-6446).

DISCUSSION

On November 17, 2021, the City Council authorized the award of a construction contract to All Cities Engineering, Inc. to replace the existing cast iron water main in the area surrounding Saint Gertrude Place and Grand Avenue (Exhibit 1). The project is currently under construction and additional improvements have been identified that surpass the

existing contingency of \$384,500. To capitalize on the favorable pricing of the existing contract with All Cities Engineering, Inc., staff recommends increasing the project contingency by \$906,476 and the contract administration, inspection and testing funds by \$118,237 to complete the work and deliver the water main replacement project.

The recommended action will increase the project contingency and contract administration, inspection and testing by \$1,024,713, thereby increasing the total estimated construction delivery cost to \$4,357,076, as indicated in the Cost Analysis (Exhibit 2) and as summarized in the table below:

Project Item	Current Total	New Total
Construction Contract	\$2,563,350	\$2,563,350
Construction Administration, Inspection, Testing	\$384,504	\$502,741
Contingencies	\$384,500	\$1,290,976
TOTAL CONSTRUCTION DELIVERY COST	\$3,332,354	\$4,357,067

ENVIRONMENTAL IMPACT

There is no environmental impact associated with the action.

FISCAL IMPACT

Approval of the requested Appropriation Adjustment will recognize \$1,024,713 of prior fund balance in the Water Fund, Public Works Water Revenue, Prior Year Carry Forward revenue account (No. 06017002-50001, and appropriating the same amount into the Acquisition & Construction, Water Utility Capital Projects, Water Capital Project expenditure account (No. 06617647-66301).

The following table summarizes the funds budgeted for expenditure to deliver construction of this project.

Fiscal Year	Accounting Unit - Account No. (Project No.)	Fund Description	Accounting Unit - Account No. Description	Amount
Prior Authorized Funds				
2020-21	06617647-66301 (15-6446)	Acquisition & Construction	Water Utility Capital Projects, Water Capital Project	\$3,332,355
Additional Funds Requested				
2021-22	06617647-66301 (15-6446)	Acquisition & Construction	Water Utility Capital Projects, Water Capital Project	\$1,024,713
Total				\$4,357,067

Approve Additional Contingency Funds for the Saint Gertrude and Grand Avenue Water
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EXHIBIT(S)

1. Location Map
2. Cost Analysis
3. FY 2021-22 Capital Improvement Program Sheet

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

Approved By: Kristine Ridge, City Manager