



City of Santa Ana  
20 Civic Center Plaza, Santa Ana, CA 92701  
Staff Report  
August 29, 2023

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**TOPIC:** Approve an Appropriation Adjustment Adding Funds to Construction Contract for Additional Street Improvements

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**AGENDA TITLE**

Approve an Appropriation Adjustment and Approve Change Order to Add Funds in the Amount of \$300,000 to an Existing Construction Contract with Onyx Paving Company, Inc. for a Revised Estimated Project Delivery Cost of \$4,140,200, for the Local Street Preventative Maintenance FY 22-23 Project (Project No. 23-6907) (Non-General Fund)

**RECOMMENDED ACTION**

1. Approve an appropriation adjustment recognizing prior year fund balance \$300,000 in the Residential Street Improvement fund, Prior Year Carry Forward revenue account and appropriating the same amount into the Residential Street improvement fund, Improvements Other Than Building expenditure account for FY 2022-2023 capital operating expenses. *(Requires five affirmative votes)*
2. Approve change order to construction contract and an amendment to the Project Cost Analysis to reflect the new amount of \$743,100 for project contingency for unanticipated or unforeseen work, for a total Construction Delivery Cost of \$4,140,200, subject to non-substantive changes approved by the City Manager and City Attorney.
3. Approve an amendment to the Fiscal Year 2023-24 Capital Improvement Program for \$300,000 for construction contingency funds, for the Local Street Preventative Maintenance FY 2022-23 (Project No. 23-6907).

**DISCUSSION**

On May 16, 2023, the City Council authorized the award of a construction contract to Onyx Paving Company, Inc. to construct citywide Local Street Preventative Maintenance Project (Exhibit 1). Staff has identified additional improvements that could be incorporated by expanding the scope of work to additional residential street portions in need of restoration next to the current project area. The proposed expanded scope of work will result in a more complete delivery of residential street improvements and take advantage of current unit bid prices.

Approval of the recommended action will allow completion of the project including change orders and additional required work. The recommended action will increase the contract project contingency by \$300,000 (Exhibit 2), thereby increasing the total estimated construction delivery cost to \$4,140,200, as summarized in the table below:

<b>Project Item</b>	<b>Current Total</b>	<b>New Total</b>
Construction Contract Bid Amount	\$2,954,000	\$2,954,000
Construction, Administration, Inspection, Testing	\$443,100	\$443,100
Contract Contingencies	\$443,100	\$743,100
<b>TOTAL ESTIMATED CONSTRUCTION DELIVERY COST</b>	<b>\$3,840,200</b>	<b>\$4,140,200</b>

### **FISCAL IMPACT**

The following table summarizes the funds budgeted and available through the carry-forward process in current FY 2023-24 for expenditure to deliver construction of this project. Any unspent budget in FY 2023-24 will be included in future year carry-forward for City Council consideration.

<b>Fiscal Year</b>	<b>Accounting Unit – Account #</b>	<b>Fund Description</b>	<b>Accounting Unit, Account No. Description</b>	<b>Amount</b>
<b>Existing Budget</b>				
2023-24	03217662-66220 (23-6907)	Measure M-Street Construction	Measure M2 Local Fairshare St, Improvements Other Than Buildings	\$3,553,200
2023-24	22317660-66220 (23-6907)	Local Drainage Area III	Public Works-Storm Drain Construction, Improvements Other Than Buildings	\$287,000
<b>Appropriation Adjustment (This Action)</b>				
2023-24	05817660-66220 (23-6907)	Residential Street Improvement	Residential Street Improvement, Improvements Other Than Buildings	\$300,000
<b>Total Contract Amount</b>				<b>\$4,140,200</b>

### **EXHIBIT(S)**

1. Location Map
2. Amendment to Fiscal Year 2022-23 CIP

Local Street Preventative Maintenance FY 22-23

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

Approved By: Kristine Ridge, City Manager