

24. Approve Additional Contingency Funds in the Amount of \$310,000 for an Existing Construction Contract with Vido Samarzich, Inc., and Additional Contract Administration, Inspection and Testing in the Amount of \$40,000 with an Estimated Project Delivery Cost of \$1,650,000 for the Glenwood Place Water Improvements Project (Project No. 23-6476) (Non-General Fund)

Department(s):

Recommended Action: Approve an amendment to the Project Cost Analysis in the amount of \$350,000 (previously-approved transfer of funds for the Main Street Slurry Project No. 20-6959) for \$310,000 in additional contingency funds and \$40,000 in additional contract administration, inspection, and testing, for a new estimated total construction delivery cost of \$1,650,000, subject to non-substantive changes approved by the City Manager and City Attorney.



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
November 7, 2023

TOPIC: Glenwood Place Water Improvements

AGENDA TITLE

Approve Additional Contingency Funds in the Amount of \$310,000 for an Existing Construction Contract with Vido Samarzich, Inc., and Additional Contract Administration, Inspection and Testing in the Amount of \$40,000 with an Estimated Project Delivery Cost of \$1,650,000 for the Glenwood Place Water Improvements Project (Project No. 23-6476) (Non-General Fund)

RECOMMENDED ACTION

Approve an amendment to the Project Cost Analysis in the amount of \$350,000 (previously-approved transfer of funds for the Main Street Slurry Project No. 20-6959) for \$310,000 in additional contingency funds and \$40,000 in additional contract administration, inspection, and testing, for a new estimated total construction delivery cost of \$1,650,000, subject to non-substantive changes approved by the City Manager and City Attorney.

GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

On May 2, 2023, the City Council authorized the award of a construction contract to Vido Samarzich, Inc. to replace the existing water main on Glenwood Place (Exhibit 1). The project is currently under construction and additional street improvements have been identified that surpass the existing contingency of \$174,777. To capitalize on the favorable pricing of the existing contract with Vido Samarzich, Inc., Staff recommends increasing the project contingency by \$310,000 and the contract administration, inspection, and testing funds by \$40,000 to complete the water main replacement project.

The recommended action will increase the project contingency and contract administration, inspection, and testing by \$350,000, thereby increasing the total estimated construction delivery cost to \$1,650,000, as indicated in the Cost Analysis (Exhibit 2) and as summarized in the table below:

| Project Item | Current Total | Additional Funding | New Total |
|----------------------------------|---------------|--------------------|-----------|
| Construction Contract Bid Amount | \$978,455 | | \$978,455 |

| Project Item | Current Total | Additional Funding | New Total |
|---|----------------------|---------------------------|--------------------|
| Construction Administration, Inspection, Testing | \$146,768 | \$40,000 | \$186,768 |
| Contingencies | \$174,777 | \$310,000 | \$484,777 |
| TOTAL ESTIMATED CONSTRUCTION DELIVERY COST | \$1,300,000 | \$350,000 | \$1,650,000 |

FISCAL IMPACT

As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$1,650,000, which includes the construction contract, contract administration, inspection, testing, and an authorized contingency. Funds for this action, in the amount of \$350,000, have been transferred from previously-approved funds for the Main Street Slurry (Project No. 20-6959).

The following table summarizes the funds budgeted and available in current FY 23-24 for expenditure to deliver 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 24-25.

| Fiscal Year | Accounting Unit - Account No. (Project No.) | Fund Description | Accounting Unit - Account No. Description | Amount |
|--------------------------------|--|------------------------------------|--|--------------------|
| Existing Project Budget | | | | |
| 2023-24 | 06617647-66301 (23-6476) | Acquisition & Construction | Water Utility Capital Projects, Water Capital Project | \$1,300,000 |
| Additional Funding | | | | |
| 2023-24 | 03217662-66220 (from 20-6959 to 23-6476) | Measure M-Street Construction Fund | Measure M2 Local Fairshare, Improvements Other Than Building | \$350,000 |
| Total | | | | \$1,650,000 |

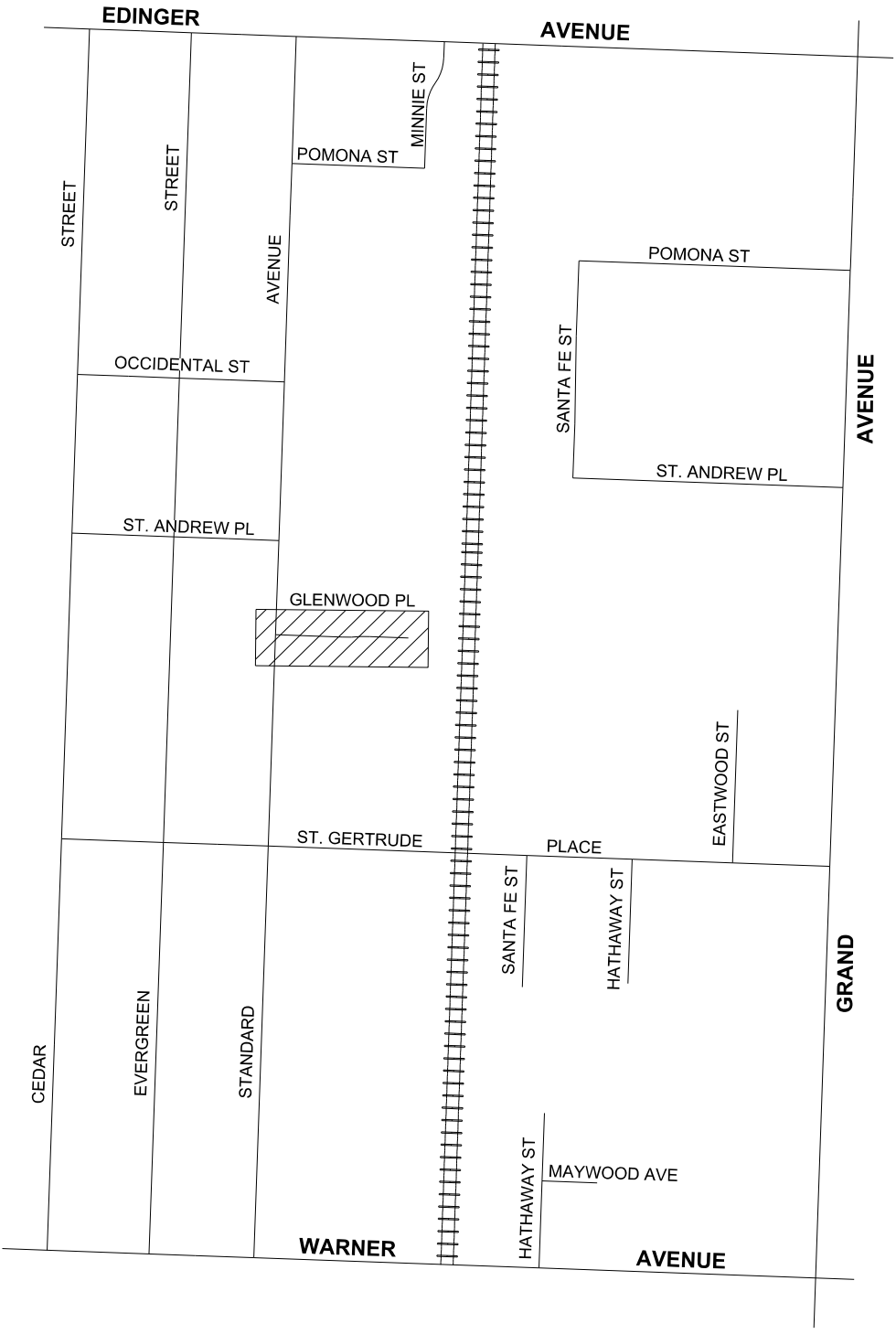
EXHIBIT(S)

1. Location Map
2. Cost Analysis

Glenwood Place Water Improvements
November 7, 2022
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Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Steven A. Mendoza, Acting City Manager



VICINITY MAP
NOT TO SCALE

 PROJECT LOCATION



NTS

COST ANALYSIS

CONSTRUCTION PROJECT NO. 23-6476: Glenwood Place Water Improvements

| | |
|---|------------------------|
| Construction Contract | \$ 978,455.00 |
| Contract Administration, Inspection and Testing | \$ 186,768.00 |
| Contingencies | \$ 484,777.00 |
| TOTAL ESTIMATED CONSTRUCTION COSTS | \$ 1,650,000.00 |



MEMORANDUM

To: Mayor and City Council Members

Date: November 3, 2023

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

Subject: AGENDA ITEM #24, GLENWOOD PLACE WATER IMPROVEMENTS

Upon review of Item #24, Glenwood Place Water Improvements, there has been a change in additional funding source from Measure M2 Local Fairshare, Improvements Other Than Building to Residential Street Improvement, Improvements Other Than Buildings. Attached is the updated staff report reflecting the correct funding sources.

If you have any questions, please do not hesitate to call or email me.

Thank you,

Nabil Saba, P. E.
Executive Director
Public Works Agency



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
November 7, 2023

TOPIC: Glenwood Place Water Improvements

AGENDA TITLE

Approve an Appropriation Adjustment to Add Contingency Funds in the Amount of \$310,000 for an Existing Construction Contract with Vido Samarzich, Inc., and Additional Contract Administration, Inspection and Testing in the Amount of \$40,000 with an Estimated Project Delivery Cost of \$1,650,000 for the Glenwood Place Water Improvements Project (Project No. 23-6476) (Non-general Fund)

RECOMMENDED ACTION

1. Approve an appropriation adjustment recognizing prior year fund balance \$350,000 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 2023-2024 capital operating expenses. (Requires five affirmative votes).
2. Approve an amendment to the Project Cost Analysis in the amount of \$350,000 for \$310,000 in additional contingency funds and \$40,000 in additional contract administration, inspection and testing for a new estimated total construction delivery cost of \$1,650,000. The new estimated total construction delivery costs include \$978,455 for the construction contract, \$186,768 for contract administration, inspection and testing, and a \$484,777 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 2023-24 Capital Improvement Program for \$350,000 for construction contingency funds, for the Glenwood Place Water Improvements Project (Project No. 23-6476).

DISCUSSION

On May 2, 2023, City Council authorized the award of a construction contract to Vido Samarzich, Inc. to replace the existing water main on Glenwood Place (Exhibit 1). The project is currently under construction and additional street improvements have been identified that surpass the existing contingency of \$174,777. To capitalize on the favorable pricing of the existing contract with Vido Samarzich, Inc., Staff recommends increasing the project contingency by \$310,000 and the contract administration, inspection and testing funds by \$40,000 to complete the water main replacement project.

The recommended action will increase the project contingency and contract administration, inspection and testing by \$350,000, thereby increasing the total estimated construction delivery cost to \$1,650,000, as indicated in the Cost Analysis (Exhibit 2) and as summarized in the table below:

| Project Item | Current Total | Additional Funding | New Total |
|---|--------------------|--------------------|--------------------|
| Construction Contract Bid Amount | \$978,455 | | \$978,455 |
| Construction Administration, Inspection, Testing | \$146,768 | \$40,000 | \$186,768 |
| Contingencies | \$174,777 | \$310,000 | \$484,777 |
| TOTAL ESTIMATED CONSTRUCTION DELIVERY COST | \$1,300,000 | \$350,000 | \$1,650,000 |

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$1,650,000, which includes the construction contract, contract administration, inspection, testing, and an authorized contingency. Funds for this action, in the amount of \$350,000, are being appropriated from the Residential Street Improvement Fund.

The following table summarizes the funds budgeted and available in current FY 23-24 for expenditure to deliver 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 24-25.

| Fiscal Year | Accounting Unit - Account No. (Project No.) | Fund Description | Accounting Unit - Account No. Description | Amount |
|--------------------------------|---|--------------------------------|---|--------------------|
| Existing Project Budget | | | | |
| 2023-24 | 06617647-66301 (23-6476) | Acquisition & Construction | Water Utility Capital Projects, Water Capital Project | \$1,300,000 |
| Additional Funding | | | | |
| 2023-24 | 05817660-66220 | Residential Street Improvement | Residential Street Improvement, Improvements Other Than Buildings | \$350,000 |
| Total | | | | \$1,650,000 |

EXHIBIT(S)

1. Location Map
2. Cost Analysis

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

Approved By: Steven Mendoza, Acting City Manager