

CITY OF PALM DESERT

STAFF REPORT

MEETING DATE: June 12, 2025

PREPARED BY: Neal Ennis, Project Manager

SUBJECT: APPROVE CHANGE ORDER NO. 1 TO CONTRACT C47860 WITH ALL AMERICAN ASPHALT FOR THE HAYSTACK ROAD TRAFFIC CALMING AND SAFETY IMPROVEMENTS PROJECT, PROJECT NO. CST00006

RECOMMENDATION:

1. Authorize an increase of \$22,973.56 to the contingency budget to account for unforeseen construction-related issues.
2. Approve Change Order No. 1 to Contract C47860 with All American Asphalt, of Corona, CA, in the amount of \$78,090.56 for the Haystack Road Traffic Calming and Safety Improvement Project (CST00006).

BACKGROUND/ANALYSIS:

On August 22, 2024, the City Council awarded a contract to All American Asphalt in the amount of \$551,177, plus 10% contingency. This project provided slurry seal coat from Hwy 74 to Portola Ave, as well as driving lane alignment modifications, ADA improvements, crosswalks, and dedicated bike lanes. The goal of this project was to implement the active transportation plan and increase pedestrian safety features.

During the construction phase, a number of unforeseen issues emerged that required additional work beyond the original project scope. One major issue was the large gutter extensions that stuck out into the driving lane, creating uneven surfaces that were unsafe for cyclists to ride over. To address this, the extensions were removed and replaced with asphalt surfacing to improve the smoothness and overall rideability for bicycles. Additionally, the quantity of materials and labor required for the installation of ADA-compliant ramps significantly exceeded the initial estimates included in the bid documents. These issues led to an increase in the project costs and require an adjustment to the budget. Of the total change order amount, 88% (\$68,938.05) is attributed to an unforeseen safety issue, while the remaining 12% (\$9,152.51) covers additional material and labor for the ADA ramps.

The original approval included contingency in the amount of \$55,177, intended to cover additional work due to field conditions, but is not sufficient. The total cost for the required materials and labor amounts to \$78,090.56. Consequently, staff is requesting an additional \$22,973.56 to cover these costs and finalize payment to the contractor.

Legal Review:

This report has been reviewed by the City Attorney's Office.

FINANCIAL IMPACT:

The Haystack Road Traffic Calming Project was approved as part of the Fiscal Year 2024-25 Capital Improvement Program (CIP) under Measure A account 2134565-5000909. This action will have no impact on the General Fund.

The table below outlines the current project budget and associated costs:

<i>Haystack Road Traffic Calming Project (CST00006)</i>	<i>Approved Budget</i>	<i>Expenditures</i>	<i>Available Balance</i>
<i>Haystack (CST00006)</i>	1,159,779.97		
<i>Engineering Design (KOA Corporation #C37870A)</i>		317,396.81	
<i>Traffic Safety - Radar Speed Signs (TrafficCalm Systems)</i>		24,669.16	
<i>Plan Review (Michael Baker Int'l #C40520)</i>		2,750.00	
<i>Construction Mgmt (Anser Advisory #C44810)</i>		206,930.00	
<i>Const-Intersection Mods (Chrisp Co. #C43340)</i>		56,857.00	
<i>Const-Curb Ramps & Bikeway Imps (All American Asphalt #C47860)</i>		551,177.00	
<i>Const-10% Contingency</i>	55,117.00		
<i>Less: Change Order #1 (This Request)</i>		78,090.56	
<i>Change Order #1 (Increase to Contingency Necessary)</i>	22,973.56		
<i>Totals</i>	1,237,870.53	1,237,870.53	0

ATTACHMENTS:

1. Change Order No. 1 to Contract C47860
2. Contractor Proposal
3. Vicinity Map
4. C47860 All American Asphalt
5. Staff Report Award Contract C47860