



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: May 3, 2017

SUBJECT: Agenda Item VI(g): Consideration of resolution authorizing a contract amendment with Salix Development, Inc. for construction of the Lopez Canyon Park Improvement project.

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing a contract amendment with Salix Development, Inc. for construction of the Lopez Canyon Park Improvement project in the amount of \$42,196.72.

Background: Salix Development, Inc. (Salix) began construction on the Lopez Canyon Park Improvements in August 2016. Project construction included demolition, grading, a trailhead parking lot for horse trailers and vehicles, connection to Kagel Canyon Truck Trail, a portable restroom enclosure, and basic visitor amenities. Construction was completed March 15, 2017 and a Notice of Completion has been filed.

The contract for Salix was approved by the Board in July 2016 in the amount of \$268,400. For reference, the next highest bid was \$413,900. During the course of the Project, Salix submitted over \$160,000 in change order requests. All proposed change orders were reviewed by the project's construction manager and appropriate staff before approval, rejection, or negotiating a justified amount. A total of two (2) change orders totaling \$42,196.72 were approved, revising the total contract amount to \$310,596.72, an overall increase of 15.7%. Salix has agreed to the reduced amounts and no further requests will be made.

The added work covered by the proposed contract augmentation includes the following items:

1. Revisions to the catch basins that were required by the County inspector;
2. Removal of excess rock material that was encountered during grading, beyond what could have been reasonably anticipated by the visible conditions, geotechnical report, and contract documents; and

3. Revisions to the pavement detail by the project's engineer that required an additional 1" of base material and another layer of chip seal.

Consideration: The proposed augmentation of \$42,196.72 includes all change orders and would add 15.7% to the total contract value. This amount would allow the close-out of this construction contract to proceed.

Fiscal Impact: The contract augmentation will be paid out of the existing Proposition A grant, reprogrammed from additional improvements that were desired (primarily replacement of the entry gate). The remaining grant budget could pay for approximately 2/3 of the cost of these improvements. Potential sources for the remaining 1/3 cost include Proposition A maintenance funds or a new capital improvements grant. The site is not within a Community Facilities District.

No new maintenance obligations will result from the proposed action. The creation of a flat and accessible parking area could increase the site's potential for Special Use Permits and positively impact the general fund. Completion of the construction contract will fulfill MRCA's obligations under the affected grants, eliminating the potential liability for non-performance.