



Staff Report

File #: 24-0462

**REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 06/05/2024

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Utilities Department

SUBJECT:

FIRST AMENDMENT TO MAINTENANCE/GENERAL SERVICES AGREEMENT WITH VALVERDE CONSTRUCTION, INC., FOR STREET REPAIRS AFTER THE RIDGEVIEW TERRACE CRITICAL WATER MAIN REPLACEMENT PROJECT

EXECUTIVE SUMMARY:

This staff report asks City Council to approve a First Amendment to the Maintenance/General Services Agreement with Valverde Construction, Inc., of Santa Fe Springs, CA, to increase compensation and extend the agreement term for full street width pavement repair after the Ridgeview Terrace Critical Water Main Replacement Project and other costs related to unforeseen site conditions.

RECOMMENDED ACTION:

That the City Council:

- a. Approve the First Amendment to the Maintenance/General Services Agreement with Valverde Construction, Inc., of Santa Fe Springs, CA, increasing the compensation by \$99,500 and extending the agreement term to perform street repairs after the Ridgeview Terrace Critical Water Main Replacement Project.
- b. Authorize the City Manager, or his designee, to execute the First Amendment to the Maintenance/General Services Agreement with Valverde Construction, Inc., in the amount of \$1,993,657, and to negotiate and execute non-substantive extensions, change orders, and amendments up to 10% of the revised agreement amount, as authorized in Corona Municipal Code [Section 3.08.060\(J\)](#).

- c. Authorize the City Manager, or his designee, to issue a change order to purchase order P23259 with Valverde Construction, Inc., in the amount of \$99,500 for the asphalt repair on Ridgeview Terrace.
- d. Authorize an appropriation in the amount of \$50,582.51 from the Water Utility Fund 570 to the Ridgeview Terrace Water Main Installation Capital Improvement Project No. UT-2024-12.

That the Corona Utility Authority review, ratify, and to the extent necessary, direct that the City Council take the above actions.

BACKGROUND & HISTORY:

The Utilities Department (UD) infrastructure division is responsible for operating and maintaining the City of Corona’s potable water network that comprises, operates, and maintains approximately 800 miles of water mains (including service laterals), 24,000 system/control valves, and 8,000 fire hydrants.

On January 17, 2024, the City Council awarded the Maintenance/General Service Agreement (MGSA) with Valverde Construction, Inc. of Santa Fe Springs, CA, for \$1,894,157 following an informal bidding process for non-public projects. The scope of work included providing all labor, materials, paving, and necessary equipment to install 3,510 linear feet of an 8-inch ductile iron pipe with 78 1-inch water services, 11 8-inch water main valves, 13 hydrants, and 13 6-inch hydrant laterals and hydrant valves.

Due to prior repairs for water main breaks, trenching, lateral service connections, and open trench construction for the new water main, the County of Riverside required the UD to undertake asphalt restoration efforts throughout the affected streets, including a 1- 1/2 inch grind and cap of asphalt from curb to curb. Such work is required to finalize the project.

ANALYSIS:

The pipeline infrastructure along Ridgeview Terrace and the four adjoining cul-de-sacs had surpassed its functional lifespan and exhibited a heightened frequency of breaks compared to neighboring lines. This necessitated repeated pavement cutting for repairs, culminating in a full trenching operation to replace the entire water main. Following the Ridgeview Terrace Critical Water Main Replacement Project, the County of Riverside inspector must complete asphalt restoration efforts. This undertaking will encompass the implementation of appropriate traffic control measures and adhere to industry standards to implement a durable, long-lasting pavement surface encompassing 126,000 square feet of asphalt throughout the affected streets.

Due to unforeseen circumstances requiring additional equipment, labor, and materials, the scope of work for asphalt repair on the Ridgeview Terrace Project has increased by \$99,500 to the total contract amount. This combined sum of \$99,500 and the previously approved \$51,082.51 change orders surpass the \$100,000 change order threshold outlined in Corona Municipal Code [Section 3.08.060\(J\)](#). The contractor will provide all labor, materials, tools, equipment, supplies, tasks, transportation, and all incidental and customary work to perform asphalt repair.

Summary of Expenditures:

Critical Watermain Replacement including paving/trench repair (awarded by Council on 01/17/2024)	\$1,894,157
Unforeseen site conditions related to change order	\$51,082.51
Pavement per County requirement	\$99,500
Total Project Cost	\$2,044,739.51
Previously Funded	\$1,994,157
Appropriation needed	\$50,582.51

Staff recommends that the City Council approve the additional change order in the amount of \$99,500 for additional pavement and authorize an appropriation of \$50,582.51 from the Water Utility Fund 570 to Ridgeview Water Main Installation Capital Improvement Project No. UT2024-12.

FINANCIAL IMPACT:

Approval of the recommended actions will result in an appropriation in the amount of \$50,582.51 from the Water Utility Fund 570 to the Ridgeview Terrace Water Main Installation Capital Improvement Project No. UT2024-12. There is sufficient working capital in the Water Utility Fund 570 for the recommended actions.

ENVIRONMENTAL ANALYSIS:

This action is categorically exempt pursuant to Section 15301 of the Guidelines for the California Environmental Quality Action (CEQA), which states that "operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the CEQA determination" and is therefore exempt from CEQA. This action involves repairs to existing infrastructure to maintain public health and safety. Therefore, is exempt from the requirements of CEQA, and no environmental analysis is required.

PREPARED BY: AFTAB HUSSAIN, MAINTENANCE MANAGER

REVIEWED BY: TOM MOODY, DIRECTOR OF UTILITIES

Attachments:

1. Exhibit 1 - Area Map
2. Exhibit 2 - First Amendment to MGSA