



COUNTY OF HUMBOLDT

For the meeting of: 12/12/2023

File #: 23-1549

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:

Change Order and Project Contingency Authorization for Storm Damage Repairs to Panther Gap Road (4D010) Post Mile 0.50 (4/5 vote required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize the Director of Public Works to execute, the attached change order number 5 to contract number 217387 for the total amount of \$32,976.90 (4/5 Vote Required);
2. Approve, and authorize the Director of Public Works to execute, the attached change order number 7 to contract number 217387 for the total amount of \$95,000 (4/5 Vote Required).
3. Approve additional project contingency funds in the amount of \$500,000; and
4. Authorize the Director of Public Works to execute change orders up to the amount of \$210,000.

SOURCE OF FUNDING:

Humboldt County Road Fund (1200); Federal Emergency Management Agency; California Governor's Office of Emergency Services

DISCUSSION:

On June 7, 2022, the Humboldt County Board of Supervisors authorized the Clerk of the Board to advertise Storm Damage Repair to Panther Gap Road (4D010) Post Mile 0.50 for bids and authorized the Director of Public Works to award the project agreement to the lowest responsive bidder following completion of the bidding process and to execute the project agreement with the lowest responsive bidder upon submittal of the appropriate bonds and insurance. On July 12, 2022, the County of Humboldt received six (6) bids for the project. The Director of Public Works awarded the contract to Wahlund Construction, Inc., the lowest responsive bidder, on July 14, 2022. The work consisted of excavation for new roadway, disposal of excess excavation materials, construction of gravel roadway, and installation of drainage systems, geosynthetic reinforcement, and erosion and sediment control items. The project restored local traffic on Panther Gap Road when field work was completed in July 2023.

The attached change order number 5 compensates Wahlund Construction, Inc., for extra work associated with site inspections and corrective actions performed during the winter shutdown to comply with the Construction General Permit. The attached change order number 7 is a negotiated settlement with Wahlund Construction, Inc., for Potential Claim 217387-1. These change orders exceed the authorized project contingency by \$116,673.64. The Department of Public Works (Public Works) planned to bring this contract to your Board for acceptance when the new vegetation meets State Water Resources Control Board standards for stabilization of disturbed soil areas. However, the slope above the roadway began to fail on Thanksgiving weekend, resulting in the closure of Panther Gap Road between Mattole Road and Green Gate Road. Public Works is requesting authorization of additional project contingency funds to remove slide debris and regrade the roadway when conditions are safe to do so. Performing this emergency work under the existing contract with Wahlund Construction, Inc., is the most expeditious option to restore public traffic on Panther Gap Road.

Accordingly, the Department of Public Works recommends that the Board of Supervisors approve, and authorize the Director of Public Works to execute, the attached change orders to contract number 217387 for the total amount of \$127,976.90; approve additional project contingency funds in the amount of \$500,000; and authorize the Director of Public Works to execute change orders up to the amount of \$210,000.

FINANCIAL IMPACT:

Expenditures (Road Fund 1200-321)	FY23-24 Adopted
Budgeted Expenses	\$627,976.90
Total Expenditures	\$627,976.90
Funding Sources (1200-321)	FY23-24 Adopted
Federal Funds (FEMA)	\$470,982.67
State Funds (CalOES)	\$117,745.67
Road Fund (1200)	\$ 39,248.56
Total Funding Sources	\$627,976.90

Narrative Explanation of Financial Impact:

The Panther Gap Road (4D010) Post Mile 0.50 Storm Damage Repair Project is being funded by Federal Emergency Management Agency (FEMA) Disaster Recovery Funds (75%), the California Governor’s Office of Emergency Services (CalOES) (18.75%), and the Humboldt County Road Fund (6.25%). The attached change orders to contract number 217387 will increase the total contract amount by \$127,976.90, bringing the authorized contract amount to \$2,694,569.54. Expenditure appropriations relating to completion of the Panther Gap Road (4D010) Post Mile 0.50 Storm Damage Repair Project are included in the approved fiscal year (FY) 2023-24 Road Fund Budget (1200321-8940).

Projects are paid in arrears with anticipated funding coming from FEMA and CalOES as mentioned above. The FY 2021-22 Annual Road Report, completed by the State of California, reflected an estimated negative fund balance of \$8.8 million in the county’s Road Fund. Even after allocating nearly \$6.8 million of American Rescue Plan Act (ARPA) funds to the Road Fund in order to reduce

the negative fund balance, the current estimated fund balance remains negative by approximately \$8.4 million.

This negative balance is partially due to the timing of Federal Emergency Management Agency reimbursements to the county, which can take years for the county to receive repayment. The current total of outstanding repayments is approximately \$11.5 million. The department utilizes other state and local funding, such as Regional Surface Transportation Program funds, for the Humboldt County Road Fund match for reimbursable projects. Despite those additional funding sources, Road Fund projects are underfunded and will very likely have a negative impact on the General Fund if additional revenue sources are not secured.

STAFFING IMPACT:

Narrative Explanation of Staffing Impact:

Approving the attached change orders to contract number 217387 and authorizing additional project contingency funds will not impact current staffing levels.

STRATEGIC FRAMEWORK:

This action supports the following areas of your Board's Strategic Framework:

Core Roles: Provide for and maintain infrastructure

New Initiatives: N/A

Strategic Plan: N/A

OTHER AGENCY INVOLVEMENT:

Federal Emergency Management Agency, California Governor's Office of Emergency Services

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board of Supervisors may choose not to approve the attached change orders to contract number 217387. However, this alternative is not recommended because this work has been completed, and the requested Board actions are required to process the claims for payment.

The Board of Supervisors may choose not to authorize additional project contingency funds for contract number 217387. However, this alternative is not recommended because performing emergency work under the existing contract is the most expeditious option to restore public traffic on Panther Gap Road.

ATTACHMENTS:

1. Change Order Number 5 to Contract Number 217387
2. Change Order Number 7 to Contract Number 217387

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-12 / D-22 / D-18 / D-20 / D-28

Meeting of: March 5, 2019 / Jan. 4, 2022 / June 7, 2022 / June 7, 2022 / Dec. 20, 2022

File No.: 19-157 / 21-1792 / 22-678 / 22-687 / 22-1609

