

City of Piedmont
COUNCIL AGENDA REPORT

DATE: March 1, 2010

FROM: Chester Nakahara, Chief Building Official
Mark Bichsel, Finance Director

SUBJECT: **Piedmont Hills Underground District**
PROGRESS UPDATE: February 8, 2010 to February 26, 2010

RECOMMENDATION:

This item is for information only. No action is required.

CONSTRUCTION PROGRESS:

Due to sporadic inclement weather, work continued on 10 out of 14 possible work days during this reporting period. The majority of the work concentrated on the main trench from the intersection of Hampton Rd. and LaSalle Ave. moving past the Hampton Play Field to the existing telephone pole at the district boundary in front of 380 Hampton Rd. This trench then continues up to the intersection of Sotelo and Glen Alpine Rd.

The portion of the trench crossing Hampton Rd. was slowed due to the presence of numerous existing underground utility lines that required hand digging to prevent damage. Nevertheless, the trench crossing Hampton Rd. was completed, pipes installed, backfill placed, and concrete slurry completed. No rock was encountered so far on this trench run. 334 feet of the required 1,040 feet of trench in this section was completed, or about 32%. Including other miscellaneous trenching, the total completed trench for the remaining portions of the underground district during this reporting period was 580 feet out of a total remaining length of 3,950 feet.

Minor work consisted of installing a PGE transformer box, ATT and Comcast boxes on St. James Dr. and a Comcast box at the intersection of Crest & Somerset. Completion of crossing trenches, private services, and miscellaneous concrete work in various locations were completed.

The new #7 utility box on Crest Rd., discussed below under Construction Issues, was delivered, excavated and set on February 24th.

P.G. & E. began pulling cable on February 24th within the Hampton/LaSalle intersection, then west down LaSalle Ave. to St. James Dr. Operations and logistics have been smooth, and the cable is passing through the installed conduits without problems. Traffic control is in place and the residents in the affected areas are cooperating.

Marcus Freeman, the new inspector from Coastland Engineering, continues to provide excellent daily written reporting for site conditions, weather, quantities, lengths, personnel hours, equipment required, and extra work authorization. Chester Nakahara and Marcus meet at least twice daily in the field to review daily scope of work, work progress, problems and solutions. Extensive photographs are taken as a record of conditions and progress.

CONSTRUCTION ISSUES:

Our regularly schedule meeting with P.G. & E. occurred on Thursday, February 18, 2010. This meeting was used as a pre-construction meeting with the P.G. & E. construction crews that will be installing all of the cables. Construction issues and coordination of such was discussed. One problem has arisen on Crest Rd. The length of the primary conduit on Crest Rd. is in excess of 1000 feet. Typically, there is a junction box at 500 foot maximum intervals to assure that the cable is not overly stretched and reasonable service points are available in case of a problem. P.G. & E. has admitted to a mistake in their plans that did not show the required box intervals. An expeditious solution was devised whereby P.G. & E. would provide the required box at no cost to the city, and Valley Utility Services would do the installation, even though Crest Rd. is essentially complete. Using Valley Utility Services was the most expeditious method in that a P.G. & E. construction crew could not be available for weeks. Plus, Valley knows what is in the trench, where it is, and the rock conditions that require special equipment. This change will be constructed without any cost to the City of Piedmont. However, because Valley is not a vetted company with P.G. & E. in this service district, it was agreed with Jim Evans, the Project Manager from P.G. & E., Geoff Grote, Mark Bichsel, and Chester Nakahara that Valley will separately invoice the City of Piedmont, the City would then invoice P.G. & E., and P.G. & E. will then reimburse the City within 30 days of receiving our invoice. This is documented in writing and has previously been reported to the Audit Committee on February 19, 2010. The construction estimate received from Valley is for a time and material basis not to exceed \$12,000. Most importantly, this solution will keep the project moving in the right direction with the proper design, not cause any additional delays, keep P.G. & E. on schedule, and not cause the City to incur any additional expense. We will simply act as the intermediary for payment.

The existing asphalt sidewalk in front of Hampton Field has been removed for the trench excavations. Valley Utility Services has offered to replace this sidewalk with concrete at no extra charge. This an improvement in the aesthetic quality at this entrance to Hampton Field without incurring any additional expense, so this change was approved by Larry Rosenberg, Mark Delventhal, Mark Feldkamp, and Chester Nakahara. There is a possibility that this new sidewalk will be completed by meeting time. The existing asphalt sidewalk at the northeast corner of Hampton and LaSalle not otherwise damaged due to excavations, will remain as is. If there are future plans to improve the appearance of this corner with landscaping, benches, and other amenities, the concrete sidewalk can be continued around the corner and join up with the previously improved entrance on LaSalle Ave. near the playschool.

CONSTRUCTION SCHEDULE:

We estimate that the completion of the trench to the telephone pole at 380 Hampton Rd. and up to the intersection of Sotelo/Glen Alpine will be completed by March 12, given the unpredictable weather conditions. The next phase of trenching will be on Glen Alpine Rd., tying together the various service junction boxes previously placed. The third phase will be the completion of the trenching on Calvert Court. The main emphasis of the schedule will be to keep ahead of the P.G. & E. crews who are beginning to pull the cables in the underground conduits. This tentative schedule will be adjusted, if necessary, every reporting period at two week intervals, as required by weather conditions and other construction factors affecting the schedule. We are, nevertheless, keeping a close eye on construction progress to get this project completed as soon as possible.

FINANCE:

Verification of all billing quantities are approved mutually by Marcus Freeman, Inspector, and Patrick Benedict of Valley Utility Services so that the invoices received are matched with the daily work tag quantities.

Please see Mark Bichsel's financial update on the following page.

Financial Update per Mark Bichsel, Finance Director

The Piedmont Hills Undergrounding Project is currently on budget as projected at the February 6, 2010 public hearing meeting.

Construction Costs

Budget for future construction costs (as of Feb. 6, 2010)	\$1,127,013.25
Offsetting payments to Valley	
Pmt. # 32 (February 16, 2010)	-\$110,261.82
Pmt. # 35 (February 25,2010)	-\$203,251.95
Pmt. # 36 (retention per pmt. #32 and pmt. #35) Feb. 25, 2010	-\$34,834.86
Remaining construction costs	\$778,664.62

Projected remaining costs

Inspection: (\$70,000 - \$80,000)	\$80,000.00
Individual Services Connection	\$50,000.00
Repayment of seed money	\$250,671.00
Contingency	\$25,000.00
Total projected costs	\$405,671.00

Cash Balance and Projected Receipts

Remaining Cash Balance on February 25, 2010	\$826,658
Comcast receipt	\$318,579
Individual homeowners contribution	\$101,000
Total projected receipts	\$1,246,237

Projected Balance

\$61,901

Please note that in order to make payment on the remaining construction costs and other costs, the City of Piedmont needs to receive cash payment from Comcast in the amount of \$318,579. Comcast was invoiced on February 12, 2010. Payment is optimistically expected sometime in March. However, traditionally, Comcast has not made payments until after the project has been completed.

Escrow Account

During the last two weeks, the City of Piedmont authorized the placement of \$389,769 in an escrow account reserved for retention in American River Bank in Sacramento. This money cannot be released to Valley Utility without the explicit permission of the City of Piedmont.