



Council Agenda Report

From: Dita Esperanza, Capital Projects Engineer

Subject: Approval of a Change Order to North Coast Engineering's Contract for the Creston Road Phase 2 Project

CEQA Determination: On July 25, 2018, the City adopted the Mitigated Negative Declaration for the project and found that the project would not have a significant effect on the environment after mitigation consistent with City's adopted Local CEQA Guidelines. Consistent with the California Environmental Quality Act and pursuant to Guidelines Section 15162, no subsequent environmental analysis is required associated with the proposed change order.

Date: August 5, 2025

Facts

1. On **February 6, 2018**, the City Council adopted the Preferred Alternative for Creston Road Corridor; directed staff to pursue an Active Transportation Program (ATP) grant for construction; and engage the services of North Coast Engineering (NCE) to prepare Plans, Specifications, and Estimates (PS&E).
2. City staff applied for a State ATP grant twice but was not successful. As a result, City Council directed staff to provide a phased approach for completion: Phase 1, from South River Road to Orchard (construction now nearing completion); and Phase 2, from Orchard to Niblick Road.
3. On July 18, 2023, City Council authorized awarding a contract to NCE to design the improvements for Creston Road Phase 2, in the amount of \$268,523.
4. On January 16, 2024, City Council approved Change Order No. 1, increasing NCE's contract by \$123,128. This change order was needed to accommodate changes in design including hardscape and landscape improvements near Melody and Lana; raised medians between Rolling Hills and Golden Hill; and design concepts to reduce traffic collisions at Creston and Golden Hill Road.
5. In December 2024, staff administratively approved Change Order No. 2, increasing NCE's contract by an additional \$65,000. This change order was needed to provide construction staging plans which were not included in the original scope.
6. Plans and specifications for Phase 2 of Creston Road are near completion and ready for bid advertising; however, there has been significant changes, amendments, delays, and unforeseen circumstances such that NCE requires another change order to complete the plans. Further justification is presented below.
7. This change order exceeds staff's established Purchasing Policy change order parameters and City Council concurrence is also required.

Options

1. Take no action;
2. Authorize the City Manager to approve a change order in the amount of \$95,000 to North Coast Engineering's contract to design the improvements of Creston Road Phase 2, from Rolling Hills to Niblick Road; or
3. Provide alternative direction to staff.

Analysis and Conclusions

The proposed Creston Road conceptual plan, as presented, was developed with significant input from the community through several different workshop events. City staff and the consultant team have reviewed the existing conditions of the corridor extensively, and translated the input received along with technical data and professional expertise to develop the conceptual plan as presented. The proposed change order, if approved, would allow NCE to complete the design and prepare bids for advertising by the Fall 2025.

The additional time and efforts to justify the request are as follows:

- Discussions with PG&E required many meetings and design revisions to accommodate existing overhead power poles in conflict with the roundabout design at Rolling Hills.
- Because vehicles traveling along Creston Road at its intersection with Rolling Hills will need to be accommodated at all times, the development of up to seven construction staging plans is required.
- Coordination of frontage improvements installation at Nick's Barbershop and the adjacent property was extensive and required several iterations.

Fiscal Impact

The total initial cost of design services to North Coast Engineering was \$268,523. Since then, two change orders have been approved for a total contract of \$456,651. The current change order totals \$95,000, increasing the total contract to \$551,651. The Creston Road Phase 2 project has an adopted budget for FY 2025-26 and has adequate funds to accommodate this change order request. No further action is required.

CEQA

On July 25, 2018, the Community Development Department adopted the Mitigated Negative Declaration for the project pursuant to the City's adopted Local CEQA Guidelines, because the Creston Road project did not require any discretionary approvals by either the Planning Commission or City Council. The Mitigated Negative Declaration for the project was approved based on findings that the Project would not have a significant effect on the environment after mitigation. Consistent with CEQA Guidelines Section 15162, no subsequent environmental analysis is required unless there is substantial evidence of new or increased significant environmental effects. Mitigation measures required from the 2018 Mitigated Negative Declaration have been incorporated into the project and no subsequent environmental analysis is required associated with the proposed change order.

Recommendation (Option 2)

Approve Resolution 25-XXX, authorizing the City Manager to approve a change order in the amount of \$95,000 to North Coast Engineering's contract to design the improvements of Creston Road Phase 2, from Rolling Hills to Niblick Road.

Attachments

1. Resolution 25-XXX – Authorizing the City Manager to Approve Change Order
2. NCE Fee Proposal