



PUBLIC WORKS - ENGINEERING DEPARTMENT

411 Main Street, 2nd Floor Phone: (530) 879-6900
P.O. Box 3420 Fax: (530) 895-4899
Chico, CA 95927-3420 <http://www.ci.chico.ca.us>

DEVELOPMENT ENGINEERING DESIGN BULLETIN

CATEGORY: 10 Reimbursement Agreements, Construction

TITLE: 10.2.1 Reimbursement Agreement Process

DATE: April 29, 2024

Purpose

The purpose of this bulletin is to provide guidance and instructions for developers regarding Reimbursement Agreements with the City of Chico (City). It outlines the criteria and processes for eligible reimbursement requests.

Background

Reimbursement Agreements identify eligible expenses for reimbursement, ensuring clarity for both developers and the City. These agreements cover various costs associated with infrastructure development, such as road construction, utility installation, and public amenity establishment.

Reimbursement Agreements also establish specific criteria that developers must meet, including adherence to approved plans, compliance with regulations, and satisfactory completion of infrastructure projects. This ensures alignment with the City's needs and standards.

Overall, Reimbursement Agreements provide a structured process, guiding developers and the City through clear expectations and responsibilities. These agreements facilitate efficient collaboration between the public and private sectors.

Implementation

To streamline processing of Reimbursement Agreements, adherence to the following process must occur:

Submit items 1-4 below to the City's Public Works-Engineering Department as one complete electronic and hardcopy package no later than 30-days before the start of work for review and approval. Any work that is performed before this 30-day period and before executing the Reimbursement Agreement will not be eligible for reimbursement. Submit final closeout documents, items 5-9, within 30 days of project acceptance by the City. Reimbursements will not be processed until all items have been received and approved by the City.

Ensure the items in the package submittal are formatted according to the specified requirements below to facilitate efficient review.

1. Project Overview

- Submit a formal letter addressed to the City's Public Works-Engineering Department, detailing the project for which reimbursement is sought.
- The letter should include the name and address of the developer, a comprehensive overview of the project, outlining the project's scope, objectives, adherence to the City's adopted Nexus, a statement setting forth the total length of the street facilities and the length of each benefitted parcel, and relevant background information.

**Reimbursable work extends from back-of-curb to back-of-curb or from back-of-curb to the existing pavement edge in widening situations. Responsibility for parkway strip landscaping and sidewalks falls on the development project as part of frontage improvements.*

2. Plans and Plats

- Submit and receive approved Improvement Plans for the project. Allow for a MINIMUM of 30 days review time by City staff. No work shall be completed prior to approval of the Improvement Plans and execution of an approved Reimbursement Agreement.
- Submit an engineered Plat which depicts the street facilities and each benefitted parcel.

3. Bids and Contracts

- Submit copies of each proposed bid to obtain City approval prior to awarding a contract award. Three bid estimates shall be obtained for each portion of work. All bids must use the same form to facilitate accurate comparisons. Each bid should contain a detailed list of bid items, engineered quantities, contractor unit pricing, and other applicable information.
- Submit final executed bids for each portion of work.

** If unable to secure three bids, provide a written justification. Written justification must be submitted to the City for approval prior to awarding a contract.*

4. Engineers Estimate

- Submit a breakdown of all costs associated with the project. This should include costs such as labor, materials, equipment, permits, and any other expenses involved in the project, and in which are requested for reimbursement.

5. Request for Information (RFI)

- Submit all RFI's that occurred during the project.

** RFI's must be submitted and approved by both the City's Public Works-Engineering Department and the Design Engineer before proceeding with the work.*

6. Change Orders

- Submit all Change Orders that occurred during the project.
- Document project change orders on City forms, detailing costs, and justifications. The change order form can be found on the Development Engineering webpage – Development Engineering Forms.
- Follow Caltrans Standard Specifications for determining Change order merits.

** Change Orders must be submitted and approved by the City's Public Works-Engineering Department before work begins; retroactive change orders will not be eligible for reimbursement.*

7. Invoices and Receipts

- Submit copies of all invoices, receipts, and supporting documentation for expenses related to the project in which are requested for reimbursement.

8. Final Costs

- Submit final cost documentation that summarizes the total expenses involved in the project and that confirms that all costs are accurate and accounted for. Final cost documentation should include the final costs for all contract, labor, materials, equipment, permits, and any other expenses involved in the project. This should be summarized in a separate document and should be reflective of the total cost of requested reimbursement.

** The City covers a 10% administrative overhead cost on the total reimbursable amount to ensure competitive pricing and transparency.*

9. Additional Submittal Requirements

- Submit all material testing and compaction testing reports to verify subgrade conditions. City shall review and approve prior to placement of asphalt or concrete.
- Submit certified payroll records to both the Department of Industrial Relations (DIR) and the City.
- Submit As-Built Plans to the City in the desired electronic format (PDF and .dwg file – California State Plane Coordinate System, Zone 2).
- Submit completed Reimbursement Agreement Checklist.

Additional Project Requirements/Information:

Payment Disbursement

- Once there is an executed Reimbursement Agreement, City staff process partial payments twice annually: In early January (reflecting revenues from July 1st to December 31st) and in July (reflecting revenues from January 1st to June 30th).
- Payment amounts are determined by a percentage of revenues from the Development Impact Fee (DIF) – Street Facilities Fee Category, Fund 308 of the City budget, at the discretion of the Director of Public Works – Engineering.

Asphalt Paving

All asphalt paving must adhere to the following criteria:

- Pavement quality and smoothness shall meet the minimum requirements set forth in Section 39 of the Caltrans Standard Specifications (most current version at the time of bidding) to minimize vertical undulation in the pavement surface.
- Utilize a pickup machine to ensure a continuous, smooth pavement mat.
- Contractor pricing should reflect these requirements and apply to all pavement lifts. Failure to meet these standards may result in non-reimbursement.
- Adhere to Caltrans Standard Plans and Specifications for transverse pavement joints.
- Align longitudinal pavement joints with lane lines in the build-out configuration.

Utility Cuts

- No utility cuts are allowed through new asphalt surfaces.
- Coordinate utility installation before road construction.
- If utility cuts are unavoidable, the City will direct trench patching.
- A minimum of 10 feet on both sides of the trench cut will be required. Additional areas may be expanded to ensure logical integration with the surrounding environment.
- Payment for trench patching is not reimbursable.

Conclusion

This design bulletin shall take effect upon issuance and will be applied to all Reimbursement Agreements within the City of Chico.

For further information or clarifications regarding this design bulletin, please contact the City's Public Works-Engineering Department

The requirements above are comprised of City purchasing policy requirements, industry standards, and internal processes. If these processes are not followed, the City will not be in a position to reimburse a portion or all of the work.



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DEVELOPMENT ENGINEERING REIMBURSEMENT AGREEMENT CHECKLIST

THIS CHECKLIST IS A PROCESSING AID AND DOES NOT ENSURE THAT ALL ISSUES PERTAINING TO A PARTICULAR REIMBURSEMENT AGREEMENT HAVE BEEN ADDRESSED.

Submit all referenced materials listed below (1-9) to the City's Public Works-Engineering Department as one complete electronic and hardcopy package. Ensure the items in the package are formatted according to the specified requirements below to facilitate efficient review. All materials must be submitted no later than 30 days before the start of work. Any work that is performed before this 30-day period and before executing the Reimbursement Agreement will not be eligible for reimbursement.

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CONTRACT CHANGE ORDER



Change Requested by : Engineer Contractor

CCO No.	SUPPLEMENT	CONTRACT NUMBER SUBDIVISION/PERMIT NO. XXXXXXX	ROAD
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TO: **Contractor**

*You are directed to make the following changes from the plans and specifications or do the following described work not included in the plans and specifications for this contract. **NOTE: This change order is not effective until approved by the Engineer.***

Description of work to be done, estimate of quantities, and prices to be paid. (Segregate between additional work at contract price, agreed price, and force account.) Unless otherwise stated, rates for rental of equipment cover only such time as equipment is actually used and no allowance will be made for idle time. The last percentage shown is the net accumulated increase or decrease from the original quantity in the Engineer's Estimate.

CCO XX - TITLE OF CCO

Extra Work at Contract Price/Agreed Price/Force Account

Estimated Cost : Increase Decrease \$

For this order, the time of completion will be adjusted as follows:

SUBMITTED BY

SIGNATURE	(PRINT NAME & TITLE) NAME - Design Engineer	DATE
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APPROVAL RECOMMENDED BY

SIGNATURE	(PRINT NAME & TITLE) Felicia McDowell, P.E. - Senior Civil Engineer	DATE
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ENGINEER APPROVAL BY

SIGNATURE	(PRINT NAME & TITLE) Brendan Ottoboni, P.E. - Director of Public Works Engineering	DATE
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We, the undersigned contractor, have given careful consideration to the change proposed and agree, if this proposal is approved, that we will Provide all equipment, furnish the materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment the prices shown above. **NOTE: If you, the contractor, do not sign acceptance of this order, your attention is directed to the requirements of the specification as to proceeding with the ordered work and filing a written protest within the time therein specified.**

CONTRACTOR ACCEPTANCE BY

SIGNATURE	(PRINT NAME & TITLE)	DATE
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