



REPORT TO COUNCIL

City of Sacramento

16

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
January 6, 2009

Honorable Mayor and
Members of the City Council

Title: Change Order No. 2: Basin 31 Detention Basin, Project W14000900

Location/Council District: 3004 Redding Ave./Council District 6

Recommendation: Adopt a **Resolution** approving Change Order No. 2 to Contract No. 2008-226 with Florez Paving in the amount of \$170,055.98.

Contact: David L. Brent, Engineering Services Manager (916) 808-1420; Brett C. Grant, Supervising Engineer (916) 808-1413

Presenters: Not Applicable

Department: Utilities

Division: Engineering Services

Organization No: 14001321

Description/Analysis

Issue: On September 16, 2008, Florez Paving was awarded a construction contract in the amount of \$761,910.00 for the Basin 31 Detention Basin Project. After the contract award, the contractor offered the City a credit to allow the contractor to sell the excavated dirt to local levee projects, rather than transport it to the Dellar property adjacent to the old City Landfill as provided in the contract specifications. Change Order No. 1 approved this credit and reduced the contract amount by \$200,000. After taking 24,000 cubic yards of excavated dirt, the levee projects completed work for the year and stopped accepting material, so Change Order No. 2 is being proposed to restore the contract's original pricing for disposal of the remaining excavated dirt. Although there remains a net credit to the project when Change Orders No. 1 and No. 2 are combined, the dollar value of Change Order No. 2 exceeds the amount that the City Manager is authorized to approve, so City Council approval is required. The contract amount after approval of Change Order No. 2 will be \$731,965.98.

Policy Considerations: This action is in conformance with City Code Chapter 3.60, Article VI which governs change order approvals. This report's

recommendation is consistent with the City's Strategic Plan goals of improving and expanding public safety.

Environmental Considerations:

California Environmental Quality Act (CEQA): City Council adopted the Mitigated Negative Declaration and Mitigation Reporting Plan for the Project on December 13, 2005, by Resolution No. 2005-915.

Sustainability Considerations: This project is consistent with the City's Sustainability Master Plan goals in that it will reduce flooding as well as increase access to and expand the number of City Parks.

Other: Not applicable

Commission/Committee Action: Not applicable

Rationale for Recommendation: City Council approval of Change Order No. 2 is recommended to restore the contract's original pricing for disposal of the remaining excavated dirt, since this material is no longer being purchased by the levee projects, and to expedite removal of exposed rubble and garbage at the Sutter Landing Dog Park project.

Financial Considerations: The current budget for the Basin 31 Detention Basin Project is \$4,875,000. There are sufficient funds in the project budget to execute Change Order No. 2 and complete the project.

Emerging Small Business Development (ESBD): This project included a participation goal of 20% for emerging and small business enterprises as required by City Ordinance 99-007 and City Council Resolution 99-055. The bid from Florez Paving Inc. met the ESBE goal with a participation level of 60%.

Respectfully Submitted by: 
David L. Brent
Engineering Services Manager

Approved by: 
Marty Hannenman
ACM/Director of Utilities

Recommendation Approved:

Cassandra H.B. Jemmis
for Ray Kerridge
City Manager

Table of Contents:

	Report	Pg	1-3
Attachments			
1	Background	Pg	4
2	Location Map	Pg	5
3	Resolution	Pg	6
4	Change Order #1		
5	Change Order #2		

Attachment 1**Background**

Change Order No. 1 was previously approved, pursuant to the Director's authority, for a project credit of \$200,000. The credit was based upon local levee projects willing to pay Florez Paving for all dirt excavated from the Basin 31 Detention Basin site. After taking only 24,000 cubic yards, the levee projects completed work for the year and would not accept any more material. That left 66,000 cubic yards of material still to be excavated and disposed of.

Per the original agreement, all excavated material was to be disposed of by Florez Paving in a stockpile to cap the Dellar property, located adjacent to the old City Landfill. Change Order No. 2 locks in the credit of \$53,333 for material already hauled elsewhere, and allows the remaining 66,000 cubic yards to be taken to the Dellar site per the original contract price.

Change Order No. 2 also involves a cooperative effort with City Parks on their Sutter Landing Dog Park project. The dog park is located adjacent to the Dellar property, on the closed Old City Landfill. The Parks project contractor unexpectedly encountered mixed rubble and garbage, and placed it in uncovered onsite piles. The City's stormwater permit for the landfill requires removal of the mixed rubble and garbage piles.

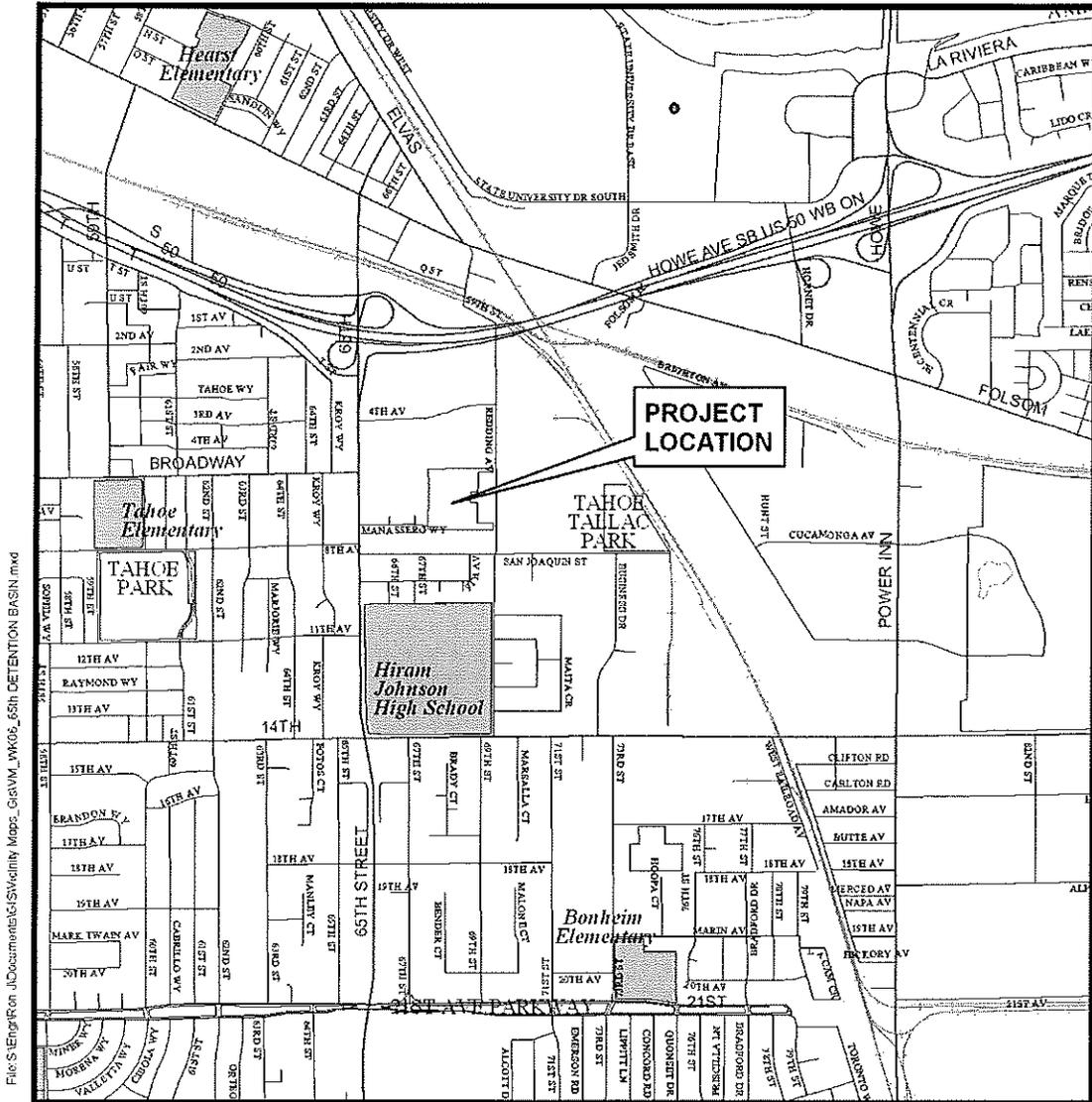
Negotiating a change order to haul the mixed rubble to L&D Landfill was considered the most appropriate disposal option by Parks. L&D is close to the Basin 31 site. The Parks project did not involve trucking, whereas it is a significant component of the Basin 31 project. Therefore, since Florez's trucks were returning empty after dumping at the Dellar site, Parks requested a bid from Florez for the hauling.

Potential benefits of allowing Florez to haul away the rubble were that they could proceed quickly, thereby mitigating exposure of the mixed refuse and addressing regulatory agency concerns. Also, there was potential to "be green" by having trucks carry full loads in both directions. The total fee for the extra hauling and dump fees is \$23,388.98. When it is time to pay for the work, Parks will fund the extra hauling through their separate budget line.

The total amount of Change Order No. 2 is \$170,055.98, resulting in a revised total contract sum of \$731,965.98. The sum of Change Orders 1 and 2 is a \$29,944.02 reduction in the original contract price.

ATTACHMENT 2

BASIN 31 DETENTION
AT 65th AND BROADWAY
(PN:WK06)



File:S:\EngR\on_j\Documents\GIS\Utility Maps_Gis\VM_LW06_65th DETENTION BASIN.mxd



Map Prepared By
City of Sacramento
Department of Utilities



Attachment 3

RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVE CHANGE ORDER NO. 2 FOR THE BASIN 31 DETENTION BASIN CONTRACT, PROJECT W14000900

BACKGROUND

- A. The contract for the Basin 31 Detention Basin project was awarded to Florez Paving on September 16, 2008 for the amount of \$761,910.00.
- B. After award, the contractor offered the City a credit if permitted to sell the excavated dirt to local levee projects, rather than transport it to the Dellar property adjacent to the old City Landfill as provided in the contract specifications. Change Order No. 1 approved this credit and reduced the contract amount by \$200,000. After taking 24,000 cubic yards of excavated dirt, the levee projects completed work for the year and stopped accepting material.
- C. Change Order No. 2 restores the contract's original pricing for disposal of the remaining excavated dirt, and provides additional payment for hauling off mixed rubble and garbage encountered on the Sutter Landing Dog Park project site, bringing the contract amount after approval of Change Order No. 2 to \$731,965.98.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to sign Change Order No. 2 for the Basin 31 Detention Basin Project, W14000900, in the amount of \$170,055.98.

CITY OF SACRAMENTO

CHANGE ORDER

Contract # & Date: 2008-22609/16/08

Budget #: 425-500-WK06-4820

Purchase Order #: 0000004326

Change Order No: 1

Sacramento, California

November 4, 2008

TO: Florez Paving, Contractor

CONTRACT FOR: Basin 31 Detention Basin Project at 65th & Broadway (B093331004)

Upon mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "CITY", and your firm, hereinafter referred to as "CONTRACTOR", in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following change or changes for the consideration set forth below:

Description:

For Bid Item #3, "Basin Excavation", City gives control of the excavated material to the Contractor for a net reduction in the Contract amount of \$200,000 per Contractor's proposal letter dated October 9, 2008.

[Database code: unforeseen conditions]

The original contract sum was	\$ 761,910.00
Net change by previous change orders	\$ 0.00
The contract sum prior to this change order was	\$ 761,910.00
The contract sum will be decreased by this c.o.	\$ - 200,000.00
New contract sum including all Change Orders	\$ 561,910.00

CONTRACTOR agrees that the amount of increase or decrease in the contract sum specified in this change order shall constitute full compensation for the work required by this change order, including but not limited to all compensation for the additional and/or revised work specified herein, and shall fully compensate CONTRACTOR for any and all direct and indirect costs that may be incurred by CONTRACTOR in connection with such additional and/or revised work, including any changes, disruptions or delays in work schedules or in the performance of other work by CONTRACTOR. The time for performance of the Contract will not be changed by reason of the work required by this Change Order. Except as herein above expressly provided, CONTRACTOR further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the Contract between CITY and CONTRACTOR for the project.

Approval Recommended By:

[Signature] Project Manager

Approved By:

[Signature] City Manager/Department Head

Approved By:

[Signature] Contractor

Approved By:

[Signature] City Clerk 11-18-08

This Form Has Been Approved By the City Attorney's Office (10-4-96) for Change Orders that do not require City Council Approval. A City Attorney signature is required if any changes or alterations are made to this form.



*2008-226-1



With: Florez Paving

Title: Basin 31 Detention Basin Project at 65th & Broadway

CITY OF SACRAMENTO

CHANGE ORDER

Contract # & Date: 2008-226 09/16/08

Budget #: 425-500-WK06-4820
6011-50000-51000000-W14000900

Purchase Order #: 0000004326

Change Order No: 2

Sacramento, California

January 6, 2009

TO: Florez Paving, Contractor

CONTRACT FOR: Basin 31 Detention Basin Project at 65th & Broadway (B093331004)

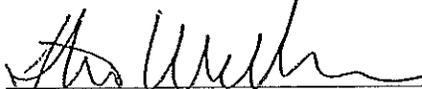
Upon mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "CITY", and your firm, hereinafter referred to as "CONTRACTOR", in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following change or changes for the consideration set forth below:

Description: See Exhibit A

The original contract sum was:	\$ 761,910.00
Net change by previous change orders:	\$ (200,000.00)
The contract sum prior to this change order was:	\$ 561,910.00
The contract sum will be <u>increased</u> by this C.O.:	\$ 170,055.98
New contact sum including all Change Orders:	\$ 731,965.98

CONTRACTOR agrees that the amount of increase or decrease in the contract sum specified in this change order shall constitute full compensation for the work required by this change order, including but not limited to all compensation for the additional and/or revised work specified herein, and shall fully compensate CONTRACTOR for any and all direct and indirect costs that may be incurred by CONTRACTOR in connection with such additional and/or revised work, including any changes, disruptions or delays in work schedules or in the performance of other work by CONTRACTOR. The time for performance of the Contract will not be changed by reason of the work required by this Change Order. Except as herein above expressly provided, CONTRACTOR further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the Contract between CITY and CONTRACTOR for the project.

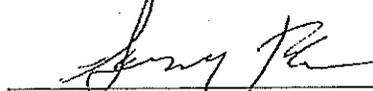
Approval Recommended By:


Project Manager - Stu Williams

Approved as to Form By:


Deputy City Attorney - Joe Robinson

Approved By:


Contractor - Florez Paving

Approved By:

City Clerk - Shirley Concolino

Approved By:

Assistant City Manager, Marty Hanneman
For: Ray Kerridge, City Manager

**CITY OF SACRAMENTO
CHANGE ORDER
EXHIBIT A**

Contract # & Date: 2008-226 09/16/08

Budget #: 425-500-WK06-4820
6011-50000-51000000-W14000900
Change Order No: 2

Purchase Order #: 0000004326

1. **Rubble Removal for Sutter Landing Park** – CONTRACTOR to haul approximately 500 cubic yards of rubble from the Park site to L&D Landfill, for a lump sum price of \$11,000. Haul trucks will be loaded by the Sutter Landing Park contractor. The price includes all hauling, markup, and dump fees. City Parks will provide a budget line to fund this work. This is a “be green” work item that can utilize trucks otherwise returning empty after dumping adjacent to the Park.

(Database Code: Design Change)

Total Item Cost **\$23,388.98**

2. **Bid Item #3, “Basin Excavation”** – CCO #1 reduced the Contract amount by \$200,000 for basin excavation (\$2.22 net savings per cubic yard), primarily because local levee projects were offering to absorb all trucking costs. For various reasons, only 24,000 cubic yards were taken to levee projects. CITY agrees to accept the balance of the basin excavation being deposited at the Dellar site per the original agreement (\$5.99 per cubic yard). The Lump Sum Contract Reduction amount in CCO #1 is hereby changed to (\$53,333.00), which represents 24,000 cy @ \$2.22 per cubic yard. The net effect is to increase the total Contract amount by \$146,667, i.e., \$200,000.00 less \$53,333.00.

(Database Code: Design Change)

Net Increase **\$146,667.00**

Total Increase \$170,055.98