

File #: 2016-01091

Consent Item 17

Title: Change Order: South Natomas and Hagginwood Water Improvements

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to execute Change Order No. 1 with Florez Paving, to compensate for additional costs incurred outside of the contract scope during construction, for an amount not-to-exceed \$185,800, bringing the total contract amount to \$5,134,724.50.

Location: Districts 1 and 2

Contact: Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Michelle Carrey, Supervising Engineer, (916) 808-1438; Sonia Lopez, Associate Engineer, (916) 808-1456, Department of Utilities

Presenter: None

Department: Department of Utilities

Attachments:

- 1-Description Analysis
- 2-Agreement

Description/Analysis

Issue Detail: Staff recommends Council approve change order no. 1 with Florez Paving, for the South Natomas and Hagginwood Water Improvements project (City Agreement No. 2015-1322), for an amount not-to-exceed \$185,000. This change order compensates the contractor for work performed that was outside of the original contract scope.

Policy Considerations: City Council approval is required for change orders exceeding \$100,000. The action requested is in conformance with City Code Chapter 3.60, Article VI which governs change order approvals.

Economic Impacts: None.

Environmental Considerations: When the South Natomas and Hagginwood Water Improvements project was awarded by the City Council, the Community Development Department, Environmental Planning Services Division, determined the project was categorically exempt from the California Environmental Quality Act (CEQA), under State Class 1 and 3, Section numbers 15301 and 15303 of the CEQA Guidelines (minor alteration of existing utility system involving negligible expansion of capacity and the installation of new equipment).

Sustainability: The proposed improvements are consistent with the City's Sustainability Master Plan goal of improving water conservation awareness, as the installation of water meters will allow the City to provide monthly statements of water usage to the customers. Metered billing also furthers the City's progress in implementing the Water Forum Agreement and the California Urban Water Conservation Council Best Management Practices.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The proposed change order compensates the contractor for work performed outside of the scope of the original contract.

Financial Considerations: There are sufficient funds in the Residential Water Metering program (Z14010000) to execute the change order for an amount not-to-exceed \$185,000.

There are no General Funds planned or allocated for this project.

Local Business Enterprise (LBE): Florez Paving is an LBE.

Background: The South Natomas and Hagginwood Water Improvements project is part of the City's Water Meter Retrofit Program (Z14010000). The project has installed meters on approximately 2,800 water services, and replaced approximately 4,700 feet of water pipe.

The change order compensates the contractor for costs incurred for additional work not included in the original contract bid items: (1) installing 170 meters where a meter box and setter already existed, and (2) additional payment for 21 1½ inch water service meter retrofits that were not correctly described in the City's bid schedule. The change order also includes payment for additional costs incurred to install hybrid water services because of unforeseen site conditions.

CITY OF SACRAMENTO
CHANGE ORDER

Contract # & Date: 2015-1322 08/06/15

Budget #: 472011-50000-6310-51000000-Z14010068

Purchase Order #: 0000030856

Change Order No: 1

Sacramento, California

September 27, 2016

TO: Florez Paving, Contractor

CONTRACT FOR: S. Natomas & Hagginwood Water Improvements

(B15141321024)

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, attached and incorporated herein"

The original contract sum was:	\$ 4,948,921.50
Net change by previous change orders:	\$ 0.00
The contract sum prior to this change order was:	\$ 4,948,921.50
The contract sum will be <u>increased</u> by this C.O.:	\$ 185,800.00
New contract sum including all Change Orders:	\$ 5,134,721.50

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 be increased eighty (80) working days 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:

Approved as to Form By:

Project Manager – Sonia Lopez Date

Joe Robinson – Senior Deputy City Attorney

Approved By:

Approved By:

Contractor – Florez Paving Date

William O. Busath – Director, Department of Utilities

Attested By:

Shirley Concolino - City Clerk

**CITY OF SACRAMENTO
CHANGE ORDER
EXHIBIT A**

Contract # & Date: 2015-1322 08/06/15

Budget #: 47211-50000-6310-51000000-Z14010068

Purchase Order #: 0000030856

Change Order No: 1

- 1) One inch diameter meters were installed on water services that had an existing meter box and setter, instead of performing a one inch meter retrofit. The negotiated unit price for a one inch meter installed within an existing meter box is \$500, for a total of 170 meters.
(Database Code: Customer Requested Change) Total This Item: \$ 85,000.00

- 2) The description of two contract items was duplicated on the bid schedule: Item number 16, "Meter Retrofit of 1 inch Water Service" and Item number 17, "Meter Retrofit of 1 inch Water Service". The Contractor bid these items at the same price. Since the special provisions call for a 1½ inch meter retrofit for item number 17, the City negotiated and agreed to compensate an additional \$800 for each 1½ inch water service meter retrofit, for a of 21 services.
(Database Code: Unforeseen Condition) Total This Item: \$ 16,800.00

- 3) Given the hard soil throughout the Hagginwood area, the method of installation specified in the Contract caused a very slow rate of progress of one hybrid water service per day. The City negotiated and agreed to compensate the Contractor \$600 more per hybrid service, for a total of 140 hybrid services.
(Database Code: Unforeseen Condition) Total This Item: \$ 84,000.00

Total this Change Order: \$ 185,800.00