

CITY OF CALIFORNIA CITY

MEMORANDUM

December 19, 2006

TO: Honorable Mayor and Members of the City Council

FROM: William Way, City Manager

SUBJECT: Change Orders Approval - USDA Waterline Improvements Phase 1 in the City of California City by Sierra Cascade Construction, Inc.

Recommendation:

Staff recommends that the City review the Change Orders signed by the City Engineer, City Manager and United States Department of Agriculture (USDA) representatives. Staff further recommends the City accept the proposed work to be completed by the contractor, Sierra Cascade, Inc. and authorize payments in the following amounts:

Change Order #1 = \$63,227.00
Change Order #2 = \$330,064.00
Change Order #3 = \$472,704.47

Staff also recommends the City authorize the Finance Director to file the require paperwork with United States Department of Agriculture Rural Development Department to fund these changes.

Discussion:

These change orders are for the work under contract agreement with Sierra Cascade. The City Council awarded the Contract to Sierra Cascade, Inc. on May 2, 2006 in the amount of \$3,826,644. The total revised contract amount will be \$ 4,692,659.47. Due to the conflicts arising during the course of the work of the contract, changes not contemplated when the plans and specifications were prepared and unforeseen site conditions have forced the City to negotiate with the contractor for extra work. The prime contractor Sierra Cascade is seeking compensation for extra work requested by the City as follows:

1. Identify existing underground utilities and address utility conflict pothole required Sierra Cascade construction have exceeded the estimated quantity in the bid schedule due to recent development in the project area, new gas mains and underground electrical lines needs to be located by means of potholes in order to plan the new location of the water lines alignments.

2. Trenching of main water lines under asphalt. Asphalt restoration have significantly increase due to conflict with existing underground utilities, soils conditions “desert mix” which is making the installation of water main lines in these areas more difficult and slow. Desert Mix soil is found everywhere in the project area.

The City has evaluated the reasonableness and fairness of the proposed cost based upon field review of the contractor’s proposal and determined that is the public’s best interest to make the proposed changes.

Therefore the City has requested USDA authorization to fund these change orders with the approved \$5,000,000.00 budget.

The Engineering Department has inspected the work and confirmed to the City Engineer that the work is in conformance with the plans and specifications.

Attachments: None

