



Legislation Details (With Text)

**File #:** 17-237      **Version:** 1      **Name:**  
**Type:** Consent Item      **Status:** Passed  
**File created:** 4/17/2017      **In control:** City Council/Public Finance and Economic Development Authority/Parking Authority  
**On agenda:** 6/5/2017      **Final action:** 6/5/2017  
**Title:** SUBJECT: Contract Change Order for the Sewer & Water Main Replacement in Alley Between 21st and 22nd Street and W Street to U Street, Project 116039

REPORT IN BRIEF

Consider approving the Contract Change Order No. 2 with D.A. Wood Construction, Inc. in the amount of \$45,472.00 for additional work primarily due to water main break.

RECOMMENDATION

City Council - Adopt a motion:

A. Increasing the contingency to 16% and approving Change Order No. 2 for the Sewer & Water Main Replacement in the alley between 21st and 22nd Street and W Street to U Street, Project 116039, with D.A. Wood Construction, Inc., in the amount of \$45,472.00 ; and,

B. Authorizing the City Manager or the Assistant City Manager to sign the necessary documents.

**Sponsors:** Joe Cardoso

**Indexes:**

**Code sections:**

**Attachments:** 1. Change Order No. 1, 2. Change Order No. 2

Date	Ver.	Action By	Action	Result
6/5/2017	1	City Council/Public Finance and Economic Development Authority/Parking Authority	approved	Pass

*Report Prepared by: Joe Cardoso, P.L.S., Land Engineer*

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B. Authorizing the City Manager or the Assistant City Manager to sign the necessary documents.

**ALTERNATIVES**

- 1. Approve , as recommended by staff; or,
- 2. Approve , subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
- 3. Deny; or,
- 4. Refer to staff for reconsideration of specific items (specific items to be addressed in the motion); or,
- 5. Continue to a future meeting (date and time to be specified in the motion).

**AUTHORITY**

Charter of the City of Merced, Article XI, Section 1109 - Contracts on Public Works. Merced Municipal Code Chapter 3.04, Article IV - Public Works Contracts.

**CITY COUNCIL PRIORITIES**

As provided for in the 2016-17 Adopted Budget.

**DISCUSSION**

The water main replacement project was located in the area bounded by 21<sup>st</sup> to 22<sup>nd</sup> Streets and W to U Streets, all within the City of Merced. The project scope consisted, in general, of the replacement of the existing sewer main and existing water main, repaving the alley, constructing new alley approaches, and constructing new valley gutters.

On May 16, 2016, Council awarded the project to the lowest bidder, D.A. Wood Construction, Inc., in the amount of \$455,481. At that time the following construction budget was approved:

Construction	\$ 455,481.00
Contingency (10%)	\$ 45,548.00
<u>Engineering, Testing, Inspection</u>	<u>\$ 68,322.00</u>
Total	\$ 569,351.00

Construction began on August 19, 2016, with the replacement of the sewer main and then a month later work started on replacing the existing water main. Prior to putting the new water main in service the existing water main broke causing the alley between V Street and U Street to flood. Steps by City crews and the contractor were immediately taken to fix the water main break and put the new water main in service.

The cause of the existing water line break is not known precisely. However, the pipeline was in excess of 40 years old and the alley was exhibiting settlement prior to construction. These conditions were the primary need for the replacement project.

Unfortunately, the flooding associated with the water main break caused saturation of the alley soil. While the soil was drying out, heavy rain delayed the contractor from working in this area. Additional work required the export of the saturated soil, placement of a soil stabilization fabric, and additional aggregate base to the alley. Many items and costs were in dispute with the contractor. After much discussion between City staff and the contractor, Change Order No. 2 in the amount of \$45,472 has

been negotiated as a reasonable settlement for the additional work.

Change Order No. 1 in the amount of \$24,027.46 was issued to the contractor for additional work required to adjust the existing driveways to the new alley grade, including additional asphalt on the roadway and alley.

At the May 16, 2016, meeting awarding the project, Council authorized the City Manager to approve change orders for up to 10% of the total contract. Change Order Nos. 1 and 2 total \$69,499.46, or 15.26% of the contract amount. This amount exceeds the Council authorized change order amount by 5.26 percent.

Staff is recommending increasing the project contingency and authorizing the City Manager to approve Change Order No. 2 in the amount of \$45,472.00.

### **IMPACT ON CITY RESOURCES**

This project was established as a Capital Improvement Project and Funds 553 and 557 contain sufficient funding to complete the project.

### **ATTACHMENTS**

1. Change Order No. 1
2. Change Order No. 2