

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES

FROM: JILLIAN TILLES, ASSOCIATE CIVIL ENGINEER
CAPITAL PROJECTS ENGINEERING

SUBJECT: REQUEST FOR APPROVAL OF CHANGE ORDER AND
ADDITIONAL CONTRACT CONTINGENCY – REPLACEMENT OF
WATER SERVICES AFFECTED BY THE TUBBS FIRE

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by the Transportation and Public Works Department and the Water Department that the Board of Public Utilities, by motion, (1) approve a change order to the Phase 2 Replacement of Water Services contract with Northern Pacific Corporation to extend the time for completion of work through the end of April 2019 and reallocate Bid Item 11 Phase 2 – Additional Water Service Replacements to include replacement of 38 additional water service lines, and (2) increase contingency for the additional permanent trench paving in the amount of \$60,000 for a total contract amount of \$724,719.00.

EXECUTIVE SUMMARY

An additional 38 water service lines were added to the contract after contract award as the water quality team continued monitoring the water service lines affected by the Tubbs fire during construction.

The contractor finished replacing the water service lines in October 2018 and is currently finishing up the permanent trench paving. The remaining work is expected to be completed by the end of February 2019.

BACKGROUND

On May 17, 2018, the Board of Public Utilities approved a construction contract with Northern Pacific Corporation in the amount of \$604,290.00 for the replacement of contaminated water services outside the water quality advisory area.

There were 115 services identified for replacement when the contract was awarded. The Department of Transportation and Public Works and the Water Department

anticipated that additional services could be added during construction. The contract includes provisions to allow additional services to be installed on a force account basis. The provisions include a ceiling price and limited contract performance to a reasonable timeframe in line with the FEMA Public Assistance Procurement Field Manuals for time and materials contracts.

During construction, an additional 38 water service lines were added to the contract for a total of 153 water services based on ongoing testing by Water Department staff.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On May 17, 2018, the Board of Public Utilities approved the project and awarded Construction Contract No. C02213 in the amount of \$604,290.00, to the lowest responsive bidder, Northern Pacific Corporation, of Napa, California for Replacement of Water Services Affected by the Tubbs Fire, and approved a 10% contingency, authorizing a total contract amount of \$664,290.00.

ANALYSIS

The FEMA Public Assistance Procurement Field Manual provides that contracts allowing work to be completed based on time and materials should only be used where an agency was not able to define a clear scope of work. Time and material contracts are considered to be force account work under the Caltrans 2015 Standard Specifications and the contract Special Provisions.

Given the community interest in completing the water service replacements quickly to allow rebuilding, the contract was awarded prior to the completion of testing the water services. Thus, it was necessary for a portion of the contract to be awarded to include force account work.

As the work was in progress, Santa Rosa staff continued to monitor the water quality in the area. Through these monitoring efforts, staff identified additional water service lines for replacement.

The changes to the list of water service replacements were identified and the contractor was able to complete the work as they moved through their proposed sequence. At the end of September, Northern Pacific Corporation requested compensation at force account for the additional water services after the work had been completed for replacement of 29 of the 38 additional services.

Transportation and Public Works Department staff determined that the additional 29 services that were completed prior to Northern Pacific Corporation's request for force account payment fail to meet the requirements of the Special Provisions Section 9-1.04; which states: "All work done on a force account basis shall be recorded on report sheets prepared by the contractor and signed by both the Engineer and Contractor."

Staff therefore recommends that these items be paid at Bid Unit prices and requests that the Board approve the reallocation of a portion of the funds under Bid Item #11 –

“Additional Water Service Replacements” to allow for the payment of 29 of the additional services at bid item prices. The remaining 9 water service lines that were completed after the Contractor’s notification was received by the City, consistent with contract provisions, will be paid at force account basis.

Additionally, staff finds that an extension of time to complete the additional work to be performed under the contract is reasonable and further recommends a change order be issued that clarifies that the work will be completed no later than April 30, 2019.

The work to replace the additional services also resulted in an increase in the associated Permanent Trench Paving Bid Item. Staff is recommending additional contingency of \$60,000 to compensate the contractor for the increased quantities at bid item price.

FISCAL IMPACT

The contract documents have been prepared to meet FEMA procurement guidelines and the City will seek reimbursement for the work.

ENVIRONMENTAL IMPACT

This action is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline section 15282 (k) for pipeline replacement in that the total replacement of pipe is less than one mile.

Additionally, this action is categorically exempt pursuant to CEQA Guidelines Section 15301 in that the project involves repair and maintenance of equipment and systems within existing facilities with negligible or no expansion of the use.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

N/A

ATTACHMENTS

- Attachment 1 – Summary of Bids

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