

# Agenda Report

TO: CITY COUNCIL April 23, 2001

FROM: City Manager

SUBJECT: Laguna Road Trunk Sewer – Phase 1 Project:  
Amendment to Contract No. 17,264 with John Nerey dba  
J&C Underground General Contractors for \$2,327.23

## RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to enter into an amendment to Contract No. 17,264 with John Nerey dba J&C Underground General Engineering Contractors for the Laguna Road Trunk Sewer – Phase 1 project that will increase the contract "not to exceed" amount from \$105,000.00 to \$107,327.23 – an increase of \$2,327.23 – because of changed site conditions.

## BACKGROUND:

This now-completed project provided for the replacement of the most structurally defective manhole-to-manhole reaches of the undersized and deteriorated trunk sewer on Laguna Road. It consisted of work at two locations: from San Rafael Avenue to 360 feet north and from La Loma Road to 380 feet north – each with two manhole-to-manhole reaches that had pipe sections in a state of near collapse.

A contract for construction of the project was awarded to John Nerey dba J&C Underground General Engineering Contractors by the City Council on April 10, 2000. The amount of the contract, including adjustments to estimated quantities and extra work covered by approved change orders, is \$105,000.

Construction began on June 13, 2000 and was completed on October 9, 2000. The total amount paid to date to John C. Nerey dba J&C Underground General Engineering Contractors, including compensation for adjustments to estimated quantities plus extra work and costs attributable to subsurface conditions that materially differed from those represented in the contract documents, is \$104,944.02. The extra work consisted of the removal of buried man-made objects, such as an abandoned water main and concrete blankets at the sewer's crossings

of existing gas, water, and power lines, and installation modifications needed to accommodate the substitution of 16-inch diameter ductile iron pipe for 15-inch diameter vitrified clay pipe in order to satisfy health code requirements at three water main crossings of the sewer. Additional costs were incurred due to construction delays caused by the relocation by the Water and Power Department of a water line that generally paralleled rather than crossed the sewer at a 45-degree angle as shown on record drawings. None of these conditions could have been anticipated in advance of excavation operations.

A contract amendment is now appropriate in order to compensate the contractor for the final unpaid extra work arising from unforeseen subsurface conditions: the need to employ hand excavation methods at two locations in order to avoid interfering gas, water, and cable television lines. The compensation proposed for the hand excavation extra work has been computed on a time and materials basis, with the labor and equipment costs verified from project records. The \$2,383.21 payment recommended is believed to be fair and reasonable for this extra work. As \$55.98 remains available from the original contract - \$105,000.00 less the expended total of \$104,944.02 - approval of a contract amendment that will increase the "not to exceed" amount by \$2,327.23 from \$105,000.00 to \$107,327.23 will provide the funds needed to allow this matter to be equitably resolved.

The proposed contract amendment with John Nerey dba J&C Underground General Engineering Contractors complies fully with the Affirmative Action in Contracting Ordinance and the rules and regulations promulgated thereunder, as did the original contractor selection process.

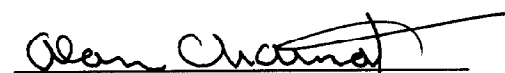
FISCAL IMPACT:

Sufficient funds are available in Budget Account 76534 (Laguna Road Trunk Sewer - Rehabilitation) to cover the cost of the proposed contract amendment.

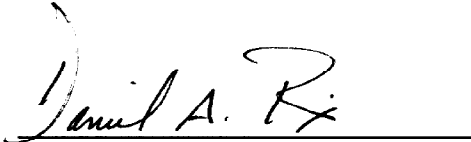
Respectfully submitted,

  
CYNTHIA J. KURTZ  
City Manager

Prepared by:

  
Alan Charmatz  
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Reviewed by:

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Daniel A. Rix  
City Engineer

Approved by:

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C. Bernard Gilpin, Director  
Public Works and Transportation