ITEM NO. 9

STAFF REPORT

CITY OF OCEANSIDE

DATE: November 7, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **APPROVAL OF CHANGE ORDER 3 FOR THE FIRE STATION 7 PROJECT**

SYNOPSIS

Staff recommends that the City Council approve Change Order 3 in the amount of $235,155 to EDGE Development, Inc., for additional imported soil, additional sub-grade preparation, vehicle exhaust system and revised sewer location for the Fire Station 7 project, and authorize the City Engineer to execute the change order.

BACKGROUND

The new Fire Station 7 is under construction on the north side of Mission Avenue east of Foussat Road. The Fire Department will house two engine companies, a medic and a battalion chief for a total of eleven personnel housed at the site.

On January 10, 2007, the City Council approved the contract in the amount of $6,896,679 to EDGE Development, Inc., for the construction of Fire Station 7, which began on March 12, 2007, and is expected to be completed by summer of 2008.

ANALYSIS

The base contract price for the project is $6,896,679.

Change Order 1 in the amount of $8,661 was administratively approved. It added additional curb, concrete slurry around storm drains, and upgraded door hardware.

Change Order 2 in the amount of $4,890 was administratively approved. It added additional data sweeps, copper tracer wire and additional access port for the grease interceptor.

Change Order 3 covers several changes necessary for the completion of Fire Station 7. These changes totaled $398,875, but staff negotiated with the contractor for a settled amount of $235,155.

Change Order 3 includes:

- Additional soil import beyond the bid amount.
- Additional sub-grade preparation beyond the bid amount.
- Negotiated settlement for the vehicle exhaust system for $30,000.
- Relocation of a sewer manhole per Water Utilities request for $56,102.
- Credit for deleted landscaping for $10,500.

The base contract price plus Change Orders 1 to 3 totals $7,145,385.

FISCAL IMPACT

$5.5 million has been budgeted for Fire Station 7 from the General Fund (503.835272) and $3.5 million, from a Section 108 loan guarantee from U.S. Department of Housing and Urban Development (HUD), has been approved by HUD and was accepted by the Council on October 17, 2007. Including the HUD funds of $3.5 million, a total of $9.0 million has been budgeted for this project. Estimated expenditures are as follows:

Construction		$6,896,679
Change Orders 1 to 3		$ 248,706
Construction Contingencies		$ 440,962
Administration Cost		$1,313,654
	Total	$8,900,011

Sufficient funding is available for this project.

INSURANCE REQUIREMENTS

The City's standard insurance requirements have been met and are currently in effect.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve Change Order 3 in the amount of $235,155 to EDGE Development, Inc., for additional imported soil, additional sub-grade preparation, vehicle exhaust system and revised sewer location for the Fire Station 7 project, and authorize the City Engineer to execute the change order.

PREPARED BY:

Abraham M. Chen
Associate Engineer

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Joseph Arranaga, Acting Deputy Public Works Director

Scott O. Smith, City Engineer

Bob Cotton, Fire Battalion Chief

Paul Bussey, Interim Financial Services Director

Exhibit A: Change Order 3

CITY OF OCEANSIDE
CONTRACT CHANGE ORDER 3

DATE September 27, 2007

PROJECT # (503) 835272

PROJECT TITLE: Fire Station 7

CHANGE ORDER 3

PURCHASE ORDER # 60994

This change order provides for:

Item #	**Description**	**Increased Q**	**Amount**
1.	COR 1R1 – Soil Import Final Quantities		$ 53,329.00
2.	COR 5R1 – Subgrade Preparation Final Quantities		$106,224.00
3.	COR 6R2 – Vehicle Exhaust Removal System		$ 30,000.00
4.	COR 7 – Delete Deductive Alternate 15		($10,500.00)
5.	COR 18R1 – ASI 12 Revised Sewer Manhole Clarification		$ 56,102.00

Total for Change Order #3 **$235,155.00**

Contract amount:	$6,896,679.00
Prior Change Orders 1 to 2	$13,551.00
Change Order 3	$235,155.00
Total	$7,145,385.00

This Change Order shall include all general contractor's overhead, profit and incidentals, and contractor shall not be entitled to any additional payment regarding this Change Order.

Cost Impact: Increase X Decrease_____ No Change_____

By reason of this order the time of completion will be adjusted as follows 12 days.

Recommended by:_____
Abraham Chen, Associate Engineer

Contract Summary:

Initial Contract Amount:	$6,896,679.00
Change Orders 1-3:	$ 248,706.00
Total to Date:	$7,145,385.00

Approved: **CITY OF OCEANSIDE**

By: _____
Scott Smith, City Engineer

Approved: _____ 10/1/07
EDGE Development Inc., Contractor

Additional Appropriation Required: _____ X _____
Yes No

Printed Name: **Steve Rogers**

Original to: **City Clerk**
Copies to: Accounts Payable Contractor Inspector File