



**CITY OF HUNTINGTON BEACH
PUBLIC WORKS COMMISSION
REQUEST FOR ACTION**

Item No. PWC 07-18

SUBMITTED TO: Chairman Siersema and Members of the Commission

SUBMITTED BY: *RF Beardsley*
Robert F. Beardsley, PE, Director of Public Works

DATE: June 20, 2007

SUBJECT: Request Additional Construction Contingency Funds for 36-Inch and 42-Inch Water Main Corrosion Control and Rehabilitation Project; CC-1259

Statement of Issue: On May 4, 2006, bids were received for the 36-Inch and 42-Inch Water Main Corrosion Control and Rehabilitation Project, CC-1259. This project is not yet 50% complete, while total Change Orders is near 100% of the budgeted construction contingency. In order to complete the project in its entirety, staff recommends an additional 15% construction contingency.

Funding Source: Funds are budgeted in the Water Master Plan, Account 50791017.82100 with additional funds from the Water Fund, Account 50685201.82100. The additional funds for construction contingency will be \$435,000.

Recommended Action: Recommend to the City Council an additional \$435,000 construction contingency to complete the project.

Alternative Action(s): Deny staff's recommendation and continue with construction until all budgeted funds are expended. It is likely that such action would lead to a significant delay since some construction activities must be done in the winter period. It will also increase overall construction cost to complete this project.

Analysis: The 2.4 miles of 36-inch and 3.9 miles of 42-inch transmission mains to be addressed by this project were constructed in 1964 and 1972, respectively. The two pipelines join at the intersection of Warner Avenue and Springdale Street. The pipelines transmit water from the northern to the central portion of the City. CC-1259 is a combination of two projects: (1) a cathodic protection retrofit as outlined in the December 2000 Water Master Plan and (2) a routine replacement/rehabilitation of existing valves and other appurtenances.

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On June 5, 2006, City Council awarded the contract bid amount of \$2,897,500 to BRH Garver West, Inc., and authorized additional expenditures of \$435,500 for contingency and supplemental expenses. At that time, the total project cost was projected not to exceed \$3,333,000.

Since the time construction began late last year, several significant changes in field conditions were encountered. With less than 50% complete, the sum of only significant change orders to date is approximately \$314,000. A breakdown of the major change order items to date is shown in the following table:

Change Order No.	Description of major change order items	Cost rounded to nearest thousand
1	Change in field conditions at McFadden and Springdale, and additional potholing.	\$41,000
2	Removal of 12-inch Gate Valve shown on plans but not reflected in bid items.	\$10,000
3	Remove and replace 30-inch and 16-inch butterfly valves. Plans require the rehabilitation of these valves however after excavation these valves clearly needed to be replaced.	\$127,000
4	Change in field conditions, unmarked pipes, and damaged 12-inch flange.	\$46,000
5	Change in field conditions at Springdale and Slater, additional dewatering costs, and additional survey costs.	\$57,000
6	Change in field conditions, inability to field locate existing man-way, and lost time due to contaminated groundwater at Springdale and Warner.	\$33,000
Total		\$314,000

It is projected that an additional contingency of 15% of the contract, or \$435,000 will be required to complete this major project.

Attachments:

None

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