



## Council Agenda Report

From: Ditas Esperanza, Capital Projects Engineer

Subject: Approval of a Resolution Authorizing a Contract Change Order for the Crestline and Fairview Waterline Upgrades and Repairs

CEQA Determination: The City finds that this action is categorically exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use (State CEQA Guidelines, § 15301).

Date: February 18, 2025

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### Facts

1. In January 2023, the City Council adopted a budget to perform repairs of the Crestline and Fairview neighborhood roads. Funding for this project was made available from one-time savings in the Measure J-20 Fund.
2. Shortly after this action, preliminary engineering for the road repairs were initiated. However, the 2020 Water Master Plan identified the need to upgrade water mains within Crestline and Fairview project area to meet fire flow deficiencies and the project was placed on hold to focus on the water main work.
3. On June 4, 2024, the City Council authorized staff to enter into a construction contract with RCH Construction to repair the water mains in the Crestline and Fairview neighborhood, in the amount of \$742,361. A Notice to Proceed was issued to the contractor on July 23, 2024.
4. The Health Department requires sewer laterals to be installed below water mains so that in the event of a break, gravity would let the sewer flow below the water line and protect against contamination. The contractor began potholing the location of the existing sewer laterals that crossed the new water lines and it was discovered that several of the sewer laterals were not constructed at a depth that is typical of sewer lateral construction. The water mains ultimately required extraordinary construction to accommodate the impacted sewer laterals, found to be shallower than standard depth.
5. To accommodate these unforeseen existing conditions, the water mains needed to be revised so that the pipe material used is ductile iron, not C900 PVC pipe. When the pipe material changed to ductile iron, additional mechanical restraints were also required. This more robust pipe material would prevent contamination of the potable water should the sewer lateral break. Finally, due to the deteriorating condition of the existing asphalt, restoring the pipe trench with asphalt was challenging and required more materials. These significant and unanticipated issues that arose in repairing the water mains have resulted in the need to increase the contract amount from \$742,361 to a new not-to-exceed of \$880,361.
6. The City's Purchasing Policy allows for administrative change orders up to \$125,000 to be reviewed by staff for the contracts of this size. Because this change order is in the amount of \$138,000, City Council concurrence is required.

### **Options**

1. Take no action;
2. Authorize the City Manager to approve a change order in the amount of \$138,000 to RCH Construction for the Crestline and Fairview Waterline Upgrades and Repairs to a new not-too-exceed of \$880,361; or
3. Provide alternative direction to staff.

### **Analysis and Conclusions**

The Crestline and Fairview neighborhood on the west side of the City needs road repairs. The pavement condition index ("PCI") in this neighborhood ranges from 18 to 34 (out of a range of 100). The proposed repair is heavy rehabilitation. There are no curbs, gutters, or sidewalks in the neighborhood, so upgrades are not required. However, prior to repairing the road, the water mains in the Crestline and Fairview neighborhood need to be upgraded and repaired to meet fire flow deficiencies, as identified in the 2020 Water Master Plan. With the completed repairs of the water lines, the City can now begin the surface repairs to the neighborhood streets. The water mains required extraordinary construction to accommodate the sewer laterals found to be shallower than standard depth.

### **Fiscal Impact**

The budget adopted for the water main repairs is \$1,050,000. There are adequate funds to approve this change order, as requested, and no other action is required at this time.

### **CEQA**

The City finds that this action is categorically exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use (State CEQA Guidelines, § 15301).

### **Recommendation (Option 2)**

Approve Resolution 25-XXX authorizing the City Manager to approve a change order in the amount of \$138,000 to RCH Construction for the Crestline and Fairview Waterline Upgrades and Repairs.

### **Attachments**

1. Resolution 25-XXX - Contract Change Order for the Crestline and Fairview Waterline Upgrades and Repairs