SUBJECT: APPROPRIATION OF ADDITIONAL FUNDS FOR THE GRANITE HILLS STREETS PROJECT, PHASE 1

SOURCE: Engineering and Building Department

COMMENT: Unforeseen obstacles and construction work not originally included in the Granite Hills Streets Reconstruction, Phase I, contract necessitates increasing the authorized funding by $85,000.

Extra work that was not in the original scope of work includes clearing the Neighborhood Community Center site of rocks, trash, weeds and other debris and the spreading, leveling and compacting of fill material from the Drainage Reservoir 53A in the Granite Hills Streets Reconstruction Project. This extra work cost approximately $200,000.

Further, during negotiations with the Porterville Cemetery District to purchase the property for Drainage Reservoir No. 53A, the City agreed to pay for 1,328 feet of storm drain pipe on Cemetery District property. This pipe was designed to solve a drainage problem on Cemetery District property. This pipe and appurtenances were also not in the original bid, and this work is now the subject of negotiations for a change order to the construction contract. There are not sufficient funds in the contingency fund to pay for this additional work. The Engineer’s estimate for the storm drain work is $65,000.

The settlement agreement between the Cemetery District and the City stipulates that the City must pay the Cemetery District $200 per day in liquidated damages if it delays in constructing the pipe. Therefore, time is of the essence in getting this pipe constructed and prevents staff from submitting this work for competitive bidding without the prospect of having to pay liquidated damages.

Total additional funds requested to complete the Granite Hills Streets Reconstruction, Phase I Project, and to construct the Porterville Cemetery District storm drain system is $150,000 above the amount authorized at the time of award of contract. Approval of this additional funding will remove the Jaye Street (Highway 190 to Gibbons) project from the COP Master Sheet. The revised sheet is attached.

Item No. 19
RECOMMENDATION: That the City Council:

1. Approve an additional $150,000 of COP funds for Granite Hills Streets Project, Phase 1; and

2. Approve the revised COP Master Sheet.

ATTACHMENT: Revised COP Master Sheet