December 12, 2024 **LTC-107.1**

Rafael Torres
Project Manager
J.F. Shea Construction
(909) 824-4293
Rafael.Torres@jfshea.com

Subject: Adverse Weather Direct Operations Inefficiencies

References: Potential Change Order No. 082 / Notification of Claim Due to Adverse Weather Impacts (11-06-2024)

Dear Mr. Torres,

The District is in receipt of JF Shea's (JFS) Cost Proposal Letter dated 07/03/2024 requesting payment in the amount of $428,086.00 for cost associated with Adverse Weather Direct Operations Inefficiencies. The District is also in receipt of JFS's Notification of Claim Due to Adverse Weather Impacts dated November 6, 2024 which provided additional information and Historical Data as it pertains to Adverse Weather at the project location.

Considering discussions had during the meet and confer between JFS and the District held on November 7, 2024, the District has performed additional review of the proposed cost associated with PCO 082.

The District acknowledges that there were 77 days of Adverse Weather as illustrated in "Exhibit 1 17002S-MSWD-RWRF" of JFS's PCO 082. Ninety Percent (90%) of the Adverse Weather Days were due to high winds. The primary construction activity affected by high winds are those activities requiring the use of cranes. Review of daily reports and photo documentation indicates that all critical path construction activities requiring the use of cranes had been completed by May 31, 2023. There had been 35 Adverse Weather days at that point in the project. Contract documents allowed for 15 weather days. On May 31, 2023 JFS would have been entitled to 20 Adverse Weather Days. The remaining 42 (77-35) days are subject to debate.

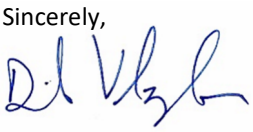
The District has considered the information and historical data provided in JFS's Notification of Claim Due to Adverse Weather Impacts. The District acknowledges that 15 contractual Adverse Weather Days may not be an accurate assessment of the weather conditions to be expected at the project site based on geographic location and historical data available from nearby weather stations. Further consideration was given to JFS's ability to work efficiently during windy conditions. The District acknowledges JFS's "Adverse Weather Inefficiency Factor of approx.. 25% as outlined in calculations per "Exhibit 2 17002S-MSWD-RWRF" of PCO 082.

The Districts will recognize the 20 weather days up to May 31, 2023. Considering historical information, and in effort to reach a fair and reasonable resolution for the District and JFS, the District proposes to also accept half of the remaining Adverse Weather Days in question for a total of 41 Adverse Weather Days.

The District has determined that JFS may be entitled to payment in the amount of **$269,858.00** for cost associated with Adverse Weather Direct Operations Inefficiencies (See attached Cost Summary)

A change order for the above mentioned inefficiencies shall be executed upon receipt of JFS's acceptance of the Districts cost proposal.

Sincerely,



David Valenzuela, EIT
Construction Manager II
Anser Advisory
David.valenzuela@anseradvisory.com
(951) 473-4659

For:

Lucas Rathe, PE
Resident Engineer
Anser Advisory
lucas.rathe@anseradvisory.com
(619)755-9596

Cost Summary					
Actual Cost			Inefficiency		
Total Project Labor	$	8,945,563.00	JFS Weather Inefficiency Factor		25%
Indirect Labor	$	(2,122,934.00)	Impacts to Direct Cost Factor		2.488%
Direct labor	$	6,822,629.00			
			Factored Impact to direct cost	$	232,535.85
Total Project Equip.	$	2,830,636.00			
Indirect Equip.	$	(306,458.00)			
Direct Equip.	$	2,524,178.00	Markups		
Direct Labor & Equip. Total	$	9,346,807.00	Profit	$	23,253.59
			G&A	$	14,068.42
Weather Days					
Project Working days		412	Grand Total	$	269,857.86
Contract Weather Days		15			
Expected % Impact		3.6%			
Weather days claimed		77			
Contract Weather days		15			
District Accepted Days		41			
Actual Impact %		9.95%			

EXHIBIT 1

17002S-MSWD-RWRF

17002S-MSWD-RWRF Adverse Weather Days Summary

Date of Occurance	Non-Work Days This Notice	Cummulative Allowable Non-Work Days	Type	Cummulative Actual Non-Work Days
4/14/2022	1	0	Wind	1
10/7/2022	1	0	PM-10	2
11/28/2022	1	0	Wind	3
12/1/2022	1	0	Wind	4
1/5/2023	1	0	Rain	5
1/16/2023	1	0	Rain	6
1/17/2023	1	0	Wind	7
1/23/2023	1	0	Wind	8
2/14/2023	1	0	Wind	9
2/28/2023	1	0	Wind	10
3/1/2023	1	0	Wind	11
3/8/2023	1	0	Wind	12
3/13/2023	1	0	Wind	13
3/15/2023	1	0	Rain	14
3/21/2023	1	0	Rain	15
3/23/2023	1	1	Rain	16
4/3/2023	1	2	Wind	17
4/12/2023	1	3	Wind	18
4/13/2023	1	4	Wind	19
4/14/2023	1	5	Wind	20
4/17/2023	1	6	Wind	21
4/18/2023	1	7	Wind	22
4/19/2023	1	8	Wind	23
4/24/2023	1	9	Wind	24
5/1/2023	1	10	Wind	25
5/2/2023	1	11	Wind	26
5/3/2023	1	12	Wind	27
5/4/2023	1	13	Wind	28
5/5/2023	1	14	Wind	29
5/8/2023	1	15	Wind	30
5/9/2023	1	16	Wind	31
5/10/2023	1	17	Wind	32
5/11/2023	1	18	Wind	33
5/30/2023	1	19	Wind	34
5/31/2023	1	20	Wind	35
6/1/2023	1	21	Wind	36
6/5/2023	1	22	Wind	37
6/6/2023	1	23	Wind	38
6/7/2023	1	24	Wind	39
6/8/2023	1	25	Wind	40
6/9/2023	1	26	Wind	41
6/12/2023	1	27	Wind	42

6/13/2023	1	28	Wind	43
6/14/2023	1	29	Wind	44
6/15/2023	1	30	Wind	45
6/16/2023	1	31	Wind	46
6/19/2023	1	32	Wind	47
6/20/2023	1	33	Wind	48
6/21/2023	1	34	Wind	49
6/22/2023	1	35	Wind	50
6/26/2023	1	36	Wind	51
6/27/2023	1	37	Wind	52
6/28/2023	1	38	Wind	53
7/3/2023	1	39	Wind	54
7/5/2023	1	40	Wind	55
7/6/2023	1	41	Wind	56
7/7/2023	1	42	Wind	57
7/10/2023	1	43	Wind	58
7/11/2023	1	44	Wind	59
7/12/2023	1	45	Wind	60
7/13/2023	1	46	Wind	61
7/14/2023	1	47	Wind	62
7/31/2023	1	48	PM-10	63
8/9/2023	1	49	Wind	64
8/10/2023	1	50	Wind	65
8/11/2023	1	51	Wind	66
8/21/2023	1	52	Rain	67
8/22/2023	1	53	Rain	68
9/20/2023	1	54	Wind	69
9/21/2023	1	55	Wind	70
10/10/2023	1	56	Wind	71
10/11/2023	1	57	Wind	72
10/23/2023	1	58	Wind	73
10/26/2023	1	59	Wind	74
11/7/2023	1	60	Wind	75
2/5/2024	1	61	Rain	76
2/6/2024	1	62	Rain	77

EXHIBIT 2

17002S-MSWD-RWRF

Adverse Weather Impacts – Direct Operations Inefficiencies

Actual Cost Data:

Total Project Labor Cost	$8,945,563
Indirect Labor Cost	($2,122,934)
Direct Labor Cost	$6,822,629
Total Project Equipment Cost	$2,830,636
Indirect Equipment Cost	($306,458)
Direct Equipment Cost	$2,524,178
Total Direct Labor & Equipment Cost	**$9,346,807**

(Cost data based on actual cost as detailed in Water Division Job Cost Report – February Monthly thru 03/03/24)

Adverse Weather Impact Analysis:

Project Duration	412 WD
Adverse Weather Allowance	15 WD
Expected Adverse Weather Impacts	3.6% [15 WD/ 412WD]
Project Duration	412 WD
Unplanned Adverse Weather	62 WD [77 WD – 15 WD]
Unplanned Adverse Weather Impacts	15.1% [62 WD/ 412WD]
Adverse Weather Inefficiency Factor	~25.0%
Unplanned Adverse Weather Impacts	15.1%
Unplanned Impacts to Direct Cost Factor	**3.775%** [~25.0% x 15.1%]

(Contractual completion time is 600 calendar days which is equivalent to 412 working days)

Adverse Weather Cost Impact Summary:

Total Direct Labor & Equipment Cost	$9,346,807
	X
Unplanned Impacts to Direct Cost Factor	3.775%
Unplanned Impacts to Direct Cost	**$352,842**