



## City of Needles, California Request for City Council Action

CITY COUNCIL  NPUA

Regular  Special

**Meeting Date:** March 24, 2024

**Title:** Accept Change Order No. 3 (Final) to the Design-Build Contract with Pacific Hydrotech Corporation for the Well 11 Treatment Facility and accept the work as complete

**Background:** On October 25, 2022, Pacific Hydrotech Corporation was awarded the Design-Build Contract for design and construction of the Well 11 Treatment Facility for a total contract amount of \$5,759,400.00. On May 14, 2024 contract Change Order #1 was approved resulting in an increase to the contract by \$338,607.66; and on December 10, 2024, Change Order No. 2 was approved increasing the contract by \$163,078.25.

During start up of the new treatment facility, the Well 11 pump motor was leaking fluid that raised concerns by the project engineer and staff. Therefore, Change Order No. 3 was presented to the State for approval to replace the well pump motor as part of this project. This Change resulted in a \$69,394.32 increase to the agreement with Pacific Hydrotech Corporation for a new total contract amount of \$6,330,480.22.

**Fiscal Impact:** The City received Grant Amendment #3 to the original Grant Agreement with the California State Water Resources Control Board in the amount of \$14,315,640.00 for water system improvements. The Well 11 Treatment Facility is identified as Phase 6A of the total project in the amount of \$5,759,500 with a \$717,104 allowable contingency.

Change Order No. 3 for a total of \$69,394.32 is reimbursable from the contingency funds and results in a final contract amount of \$6,330,480.22.

**Recommended Action:** Accept Change Order No. 3 to the Design-Build Contract with Pacific Hydrotech Corporation for the Well 11 Treatment Facility project resulting in an increase to the contract in the amount of \$69,394.32 for a final contract amount of \$6,330,480.22; and authorize staff to execute said Change Order and record the Notice of Completion for the work.

**Submitted By:** Kathy Raasch, Director of Development Services/Capital Projects

**City Manager Approval:** Patrick J. Martinez Date: 3/19/2026

**Other Department Approval (when required):** Mark C. DeMay, CGFM Date: 03/19/26