



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA

☒ Regular ☐ Special

Meeting Date: December 10, 2024

Title: Accept Change Order No. 2 to the Design-Build Contract with Pacific Hydrotech Corporation for the Well 11 Treatment Facility

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 for a new contract amount of \$6,098,007.66.

Since June 2024, two additional items were identified that is an addition to the scope of work from the approved Basis of Design Report (BoDR) resulting in additional expenses to the project. These items are listed below:

- | | |
|-------------------|---------------|
| 1) SCADA system | \$ 112,824.88 |
| 2) HVAC and Paint | \$ 50,253.37 |

Justification of each item was received from the design engineer and presented to the State Water Resources Control Board (SWRCB) for review. Approval was granted by the State to be funded by the project contingency.

Therefore, Change Order #2 includes items already approved by the SWRCB increasing the contract with PHC by \$163,078.25 for a new total contract amount of \$6,261,085.91.

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 #2 for a total of \$163,078.25 is reimbursable from the contingency funds and results in a new total contract amount of \$6,261,085.91.

Recommended Action: Accept Change Order #2 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 \$163,078.25 for a new total contract amount of \$6,261,085.91; and authorize staff to execute said Change Order.

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

City Manager Approval: Patrick J. Martinez

Date: 12/4/2024

Other Department Approval (when required): Kenneth McDonald

Date: 12/04/2024

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐