

TO: JAMES L. APP, CITY MANAGER

FROM: MEG WILLIAMSON, INTERIM PUBLIC WORKS DIRECTOR

SUBJECT: EARTHQUAKE RESPONSE, RECOVERY, & REPAIR – SULFUR SPRING

DATE: NOVEMBER 2, 2004

Needs: For the City Council to consider additional costs associated with installing a well casing at the sulfur spring in the Library/City Hall parking lot.

Facts:

1. On March 9, 2004, City Council awarded a contract for \$70,953.00 to associated Pacific Constructors to assist the City in mitigating the flow of the geo-thermal spring in the Library/City Hall parking lot.
2. Based on best available information at the time, the City provided the scope of work upon which the contractor's original bid was based. The specifications called for a sixty (60) foot casing to be driven into the spring to capture the flow. However, specifications on where to locate the casing, its termination point or a detailed perforation schedule could not be specified.
3. After completion of a competitive bid process, award of contract was made to Associated Pacific Constructors at a cost of \$70,953.00.
4. At the kick off meeting it was determined that additional specifications would need to be engineered before the well casing could be ordered and work could begin.
5. On June 14, 2004, City staff met with Associated Pacific Constructors, Boyle Engineering and FSB Energy (the project team) to discuss a more specific and workable course of action for capture and disposal of the flow.
6. It was determined that an adjusted/amended scope of work would be necessary to complete the project and had the potential to exceed the dollar amount provided for in the original contract. Contract overages would, however, be dependent on the success of each step that was performed, and the number of days it would take to complete.
7. Specific differences are as follows:
 - a. Information regarding the size, amount and cost of perforating the casing was provided through an amended scope of work.
 - b. The depth of the casing was increased from the original sixty (60) feet from parking lot surface to one hundred twenty (120) feet in hope of obtaining an artesian flow (rather than incurring the on-going reoccurring cost of a mechanical pump).
 - c. The casing could not be driven in with a pile driver as originally anticipated for fear of it filling with sediment. Instead, the casing was installed using a high pressure jet and vibrator.
 - d. The jetting/vibrator method of setting the casing resulted in increased equipment needs, including additional pumps, electrical generator, vibrator and man-lift. The rental of this equipment was an additional cost to the original estimate.

8. The additional equipment necessary to implement the more responsive/focused scope of work resulted in additional costs of \$47,680.03.

Analysis
and

Conclusion: The City identified the need to mitigate the sulfur spring located in the Library/City Hall parking lot. It issued a contract to do so using a City defined a preliminary and very general scope of work. Once a more definitive work approach was established, it was determined that additional equipment and materials were required.

Based on the goal to set a casing that would establish an artesian flow as part of the parking lot repair, the project team pushed forward in the field with the expanded scope. With mobilization already done, it was less expensive to cover expanded contract costs as they arose in the field, than to delay work for expanded contract authorization. The additional equipment and materials resulted in a \$47,680.00 increase to the contract.

Policy

Reference: None

Fiscal Impact: Allocation of additional funding to offset the additional costs associated with installation of a well casing at the sulfur spring will impact the General Fund in an amount of \$47,680.03. While staff has filed for a Project Worksheet with FEMA to cover the cost of mitigating the sulfur spring and repair of the parking lot, there is no guarantee as to when or if the cost will be reimbursed.

Options:

1. Adopt Resolution No. 04-xx amending the contract for Associated Pacific Constructors in an amount of \$47,680.00.
2. Amend, modify, or reject the above options.

Attachments:

Resolution amending the contract to Associated Pacific Constructors

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AMENDING A CONTRACT WITH ASSOCIATED PACIFIC CONSTRUCTORS
FOR SERVICES ASSOCIATED WITH MITIGATION OF A SULFUR SPRING
RESULTING FROM THE DECEMBER 22, 2003 EARTHQUAKE

WHEREAS, the City Council of the City of El Paso de Robles did enter into a contract for \$70,953.00 to mitigate the sulfur spring located at the Library/City Hall parking lot by installing a well casing to collect the artesian flow; and

WHEREAS, the installation of the well casing did require additional equipment and materials to accomplish the task at a cost of \$47,680.00; and

WHEREAS, it was determined in the best interest of City to complete the work necessary to install the casing to collect the artesian flow as part of the mitigation necessary to allow repair of the parking lot.

THEREFORE BE IT RESOLVED by the City Council of the City of El Paso de Robles, that \$47,680.00 is hereby allocated from Account No. 100-820-5212-260 to offset additional costs associated with installation of a well casing at the sulfur spring located at the Library/City Hall.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 2nd day of November 2004 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk