TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DATE: MARCH 1, 2004

DEPARTMENT: UTILITIES

SUBJECT: REQUEST FOR ADDITIONAL CONTINGENCY MONIES IN THE AMOUNT OF $150,000 TO COVER ADDITIONAL BUT UNFORESEEN WORK RELATED TO THE CONSTRUCTION OF NEW WATER MAIN BLOW-OFFS IN PROJECT 16 WATER MAIN REPLACEMENT, CONTRACT NO. C3149250 WITH WEST VALLEY CONSTRUCTION COMPANY

RECOMMENDATION
Staff recommends that Council approve staff’s request for an increase of $150,000 to the contingency budget for water main blow-offs in Water Main Replacement Project 16, Contract No. C3149250.

BACKGROUND
On June 9, 2003, Council approved and authorized the Mayor to execute a Water Main Replacement contract with West Valley Construction Company in the amount of $1,983,008, which includes separate budgets of $1,616,533 for construction of new water mains, and $363,475 for construction of 137 new water main blow-offs (CMR:297-03). The blow-offs support the San Francisco Public Utility Commission’s recent conversion to chloramination disinfection. The blow-off construction contingency is $36,647.

DISCUSSION
West Valley Construction started construction of new water mains and water main blow-offs on August 1, 2003 and has completed approximately 70 percent of the project to-date. Staff has projected that the remaining contingency for the blow-off component of the project of $36,647 will not be sufficient to cover additional costs associated with the construction of the water main blow-offs. On average, the blow-offs have cost approximately $1,000 more per blow-off installation, due to additional work to locate the ends of the water mains and to relocate/reconnect existing water services which interfere with the blow-off installations. This additional work is the result of unforeseen field conditions.
conditions which were not included in the original project scope of work. Staff is requesting additional contingency funds of $150,000 to ensure that there are sufficient funds to complete the blow-off construction portion of the project. The remaining contingency funds will be used for the extended pavement repairs.

**RESOURCE IMPACT**  
Funds for the project was included in the FY 2002-03 Utilities Department Water Capital Improvement Program budget. The additional contingency fund is available within this budget.

**POLICY IMPLICATIONS**  
The approval of this request is consistent with existing City polices.

**ENVIRONMENTAL REVIEW**  
This project is categorically exempt from the provisions of the California Environmental Quality Act and no further environmental review is necessary.

**ATTACHMENTS**  
A: CMR:297:03

**PREPARED BY:** An Le, Romel Antonio, Roger Cwiak, and Scott Bradshaw

**DEPARTMENT HEAD:**  

JOHN ULRICH  
Director of Utilities

**CITY MANAGER APPROVAL:**  

EMILY HARRISON  
Assistant City Manager