TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: COMMUNITY SERVICES

DATE: MARCH 4, 2002 CMR: 156:02

SUBJECT: APPROVAL OF CHANGE ORDER NO. 1 TO CONTRACT NO. S2134507 WITH D.H.R. CONSTRUCTION IN THE AMOUNT OF $100,444 TO COMPLETE THE CART PAVING SERVICES PROJECT AT THE PALO ALTO GOLF COURSE

RECOMMENDATION
Staff recommends that Council approve and authorize the City Manager or his designee to negotiate and execute a change order to the contract with D.H.R. Construction for the completion of the cart paving project in fiscal year 2001/2002 at the Palo Alto Golf Course, the total value of which shall not exceed $100,444.

BACKGROUND
The Golf Division has a three-year contract with DHR Construction, Inc. for a total amount of $152,017. The work to be performed under this contract is to replace approximately 6625 feet of cart paths at the golf course over three fiscal years. The third year of the contract commences July 1, 2002. Path work has been completed in the amount of $51,573 for the first of the three fiscal years. The final amount of the contract for two fiscal years is $100,444.

DISCUSSION
Staff requires Council approval for change order authority to accelerate the current contract from three years to two years. Increasing the total cost for this fiscal year by $100,444 would exceed the annual $65,000 council review limit and would require an unnecessary duplicate competitive bid process. Staff is recommending a change order to the contract to complete the final phase for this fiscal year.

Staff is requesting an accelerated program because by completing work during the spring, there is less of an impact on golf customers and related revenues than the busier summer season. Additionally, the golf cart fleet will be increased by 33 percent in March 2002 to accommodate increased demand, which will require additional maintenance activities in non-cart path areas. Finally, staff time for post-construction clean up for re-seeding,
sodding, and finish work along the new paths, are more efficiently accommodated before the busy golf season begins.

The accelerated completion of this existing contract, from existing CIP funds, will allow staff to complete the remaining scheduled construction and focus on course maintenance during the busy season. This focus will result in a better customer experience, greater customer satisfaction and improved regional marketability.

**RESOURCE IMPACT**
Funds for this project are included in CIP 19624 Golf Course Master Improvement Plan.

**POLICY IMPLICATIONS**
The approval of this change order does not represent any change to existing City policy.

**ATTACHMENTS**
Attachment A: Change Order #1

PREPARED BY: _________________________________________ DAVID DAVIES
Golf Course Superintendent

DEPARTMENT HEAD: _________________________________________ PAUL THILTGEN
Director, Community Services

CITY MANAGER APPROVAL: _________________________________________ EMILY HARRISON
Assistant City Manager