



## Legislation Details (With Text)

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**Title:** Approve Contract Change Order No. 04 in the amount of \$45,000 to Euro Style Management for the Rehabilitation of Digester 8 at the Fresno/Clovis Regional Wastewater Reclamation Facility (Council District 3).

**Sponsors:** Public Works Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 21-916 Contract Change Order No 4, 2. 21-916 Proposed Mediator's Settlement Agreement

Date	Ver.	Action By	Action	Result
12/9/2021	1	City Council	adopted	Pass

## REPORT TO THE CITY COUNCIL

**FROM:** SCOTT L. MOZIER, PE, Director  
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Public Works Department, Facilities and Construction Management Divisions

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## SUBJECT

Approve Contract Change Order No. 04 in the amount of \$45,000 to Euro Style Management for the Rehabilitation of Digester 8 at the Fresno/Clovis Regional Wastewater Reclamation Facility (Council District 3).

## RECOMMENDATIONS

Staff recommends that City Council approve Contract Change Order No. 04 with Euro Style Management, Inc. of North Highlands California for a total increase in contract amount of \$45,000 for the Rehabilitation of Digester 8.

## EXECUTIVE SUMMARY

Staff recommends City Council approval of Contract Change Order No. 04 which would settle a dispute between the City and the Contractor. This dispute centers around surface preparations of the

interior of the Digester which City staff determined to be inadequate and directed the Contractor to re-do the work. The Contractor filed a construction claim with the City and this claim was ultimately heard by a professional mediator who proposed a settlement of \$45,000 to resolve the dispute. The project is funded by Wastewater Management Division's Sewer Enterprise Fund 40501.

## **BACKGROUND**

On June 25, 2020, a Contract was awarded in the amount of \$677,554 Euro Style Management for the Rehabilitation of Digester 8 at the Fresno/Clovis Regional Wastewater Reclamation Facility. The Notice to Proceed was issued with a starting date of November 9, 2020, and completion date of May 4, 2021. There have been three Contract Change Orders executed to date for a total amount of \$357,842 and a net change of 52.8% of the original contract price.

During the course of construction, a dispute arose between the City and the Contractor regarding the newly prepared steel ceiling surfaces exhibiting fresh rust deposits. The Contractor filed a construction claim which ultimately was resolved by a proposed Mediator's Settlement Agreement.

Contract Change Order No. 04 will provide payment to Euro Style Management in accordance with the proposed Mediator's Settlement Agreement.

Staff recommends that City Council approve Contract Change Order No. 04 on behalf of the City of Fresno.

## **ENVIRONMENTAL FINDINGS**

This is not a project for the purposes of CEQA pursuant to CEQA guidelines section 15378(b)(5), as it is an administrative action that will not result in direct or indirect changes to the environment.

## **LOCAL PREFERENCE**

Local Preference was not considered because this action does not include a bid or an award of a City construction contract.

## **FISCAL IMPACT**

This Contract Change Order has no impact to the General Fund and will be completely funded through Wastewater Management Division's Sewer Enterprise Fund 40501.

Attachments:

Contract Change Order No. 04

Proposed Mediator's Settlement Agreement