



**CHANGE ORDER(s)**

**AND /OR**

**LETTER(s) OF EXTENSION**

--

**CONTRACT CHANGE ORDER NO. 003  
DATED AUGUST 8, 2018**

---

**FILED WITH CONTRACT #34672**

**(ENVIRONMENTAL CONSTRUCTION, INC)**



**Date:** August 8, 2018  
**To:** Alvin Papa, Acting Deputy Director of Public Works  
**From:** Anne Takii, Administrative Analyst *AT*  
**Subject:** **CONTRACT CHANGE ORDER TRANSMITTAL MEMO**

**PROJECT:** R-7060 Red Car Greenway Project  
**CONTRACTOR:** Environmental Construction, Inc.  
**CCO#:** No. 3  
**ORIGINATED FROM:** Project Development  
**SOURCE OF FUNDING:** CIP/Tidelands  
**REASON:** See Attached  
**COST (CCO #3):** \$57,715.79  
**ORIGINAL CONTRACT:** \$674,239  
**APPROVED CONTINGENCY (10%):** \$67,424

DEPARTMENT OF PUBLIC WORKS  
CAPITAL IMPROVEMENT PROJECTS  
Certification of Materials or Services  
Vendor ID# V037299-01  
POPW 17-44  
Proj/Proj detail PW 30-70-5930  
Index/Subobject see below  
Grant/Grant detail see below  
User Code see below  
By Anne Takii for Michael Johnston  
DATE 8/8/18

**TOTAL CONTRACT PLUS CONTINGENCY (Not to Exceed):** \$741,663  
**FURTHER COUNCIL ACTION:** \$40,000

New Line 6  
PWCIPAA  
Index: PWCIPAA/210009  
Grant: XC6FND1401: \$37,458.64

**NEW TOTAL CONTRACT AMOUNT:** \$714,239  
**NEW APPROVED TOTAL AUTHORITY ALLOWED (CONTRACT + CONTINGENCY):** \$781,663

Line 1  
Index: PWCIPAB/210009  
Grant: PRCBDP14: \$5,793.90

**TOTAL AMOUNT OF CCO'S TO DATE (INCLUDING PROPOSED CCO'S):** \$93,070.96

Line 3  
Index: PWCIPAB/210009  
Grant: PRCBDP17: \$14,463.25

**CITY COUNCIL ACTION DATE:** JULY 11, 2017 (ITEM R-30)  
& MAY 15, 2018 (ITEM C-12)

PWCIPAP: \$20,257.15

OFFICE OF THE CITY MANAGER  
CITY OF LONG BEACH  
LONG BEACH, CA 90802

Environmental Construction, Inc.  
21550 Oxnard Street, Suite 1050  
Woodland Hills, CA 9136

Date: 05/07/2018  
R-7060  
CONTRACT NO.: 34672  
PROGRAM NO.: PW307059

PROJECT: RED CAR GREENWAY PROJECT

CONTRACT: CHANGE ORDER AUTHORIZATION NO. 3

PART 1 REASON FOR CHANGE

The work outlined in this Change Order was not included in the original scope of work assigned to the prime contractor. However this work needs to be done to complete the construction of the Red Car Greenway project on the former Pacific Electric Railway Right-of-Way between E. 4<sup>th</sup> Street/Park Avenue and Ximeno Avenue. The scope of this change order includes the following:

- 1.1. Change order required for the compensation of labor differential rate paid by the Contractor to employees whose designated craft was changed, from state Landscape Tender to federal Landscape Laborer on this project.

At the start of the project, the Contractor was directed to comply with federal funding requirements (Davis-Bacon), which was not initially specified in bid documentation prior to the award of contract. The Contractor's bid proposal was based on labor costs associated with California classified trades, including Landscape Tender. On October 9, 2017, the Contractor was notified by email that the Department of Labor denied the Contractor's request to use the lower paid classification of Landscape Tender on the project. Subsequent to that notification, the Contractor reclassified all Landscape Tenders working on the project to Landscape Laborers, and made retroactive payments to these employees for the wage rate difference between the two crafts. During the following contract periods, the Contractor paid the wage rate difference for a total of 1,157 hours worked by Landscape Tenders:

- 08/21/17 to 10/31/17 – 872 hours
- 12/14/17 to 03/19/18 – 285 hours (maintenance/plant establishment period)

PART 2 DESCRIPTION OF CHANGE

- 2.1. Compensation for the labor differential rate is based on the effective DIR wage determinations for Landscape Laborer and Landscape Tender, and additional costs associated with the Contractor's overhead, including payroll taxes and insurances.

Landscape Laborer Wage Rate	\$ 51.79 per hour
Landscape Tender Wage Rate	<u>-\$ 17.94 per hour (Determination: SC-102-X-14-2017-1)</u>
Wage Difference	\$ 33.85 per hour
Contractor's Overhead Costs	<u>+\$ 7.72 per hour</u>
Labor Differential Rate	\$ 41.57 per hour

The total compensation for 1,157 labor hours paid by the Contractor, at the labor differential rate of \$41.57 per hour, plus 20% markup is \$57,715.79.

### PART 3 CHANGE IN CONTRACT AMOUNT

#### A. BID ITEM QUANTITY ADJUSTMENTS

None

#### B. EXTRA WORK/AGREED PRICE

In accordance with procedures for changes in the work established in the specifications, you are authorized to do the following.

- 1.1. This payment includes all costs for 1,157 labor hours paid by the Contractor, at the labor differential rate of \$41.57 per hour, for the Red Car Greenway project, at the lump sum price of \$57,715.79.

- Net Bid Item Quantity Adjustment = \$ 0.00  
- Net Extra Work / Agreed Price = \$ 57,715.79  
- Net to Contract Cost = \$ 57,715.79

### PART 4 CHANGE IN CONTRACT TIME

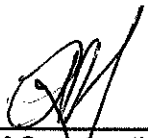
Time for completion of all work under the contract will be extended zero (0) Working Days beyond the Deputy Director/City Engineer's Signature.

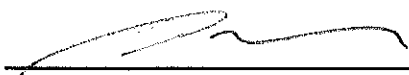
By signing this change order, the Contractor acknowledges that it is familiar with California Civil Code Section 1542, which reads: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor;" and Contractor hereby releases the City from any unknown claims and waives its rights under Section 1542.

The Prices set forth herein above shall be considered full compensation for all obligations of the Contractor associated with this change order, and the City will not be liable for any claim of the Contractor for delays or extra compensation resulting from performance of the requirements of this change order.

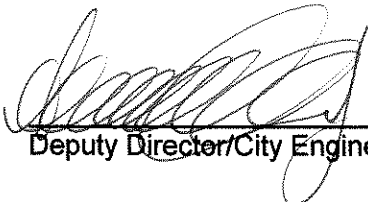
Recommended By:


Approved By:

  
\_\_\_\_\_  
Chief Construction Inspector (Date) 7-31-2018

  
\_\_\_\_\_  
Contractor (Date) 7/18/18

  
\_\_\_\_\_  
Construction Services Officer (Date) JUL 25 2018

  
\_\_\_\_\_  
Deputy Director/City Engineer (Date) 7/24/18

  
\_\_\_\_\_  
Project Manager (Date) 7/23/2018

  
\_\_\_\_\_  
Financial Management (Date) 8/14/18