Stem-64 12/4/18

ORDINANCE NUMBER O- 21029 (NEW SERIES)

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING AN INCREASE TO THE COST LIMIT FOR CONTRACT ALTERATIONS (CHANGE ORDERS) FOR PURE WATER PHASE I CONSTRUCTION CONTRACTS FOR THE NORTH CITY PURE WATER PROJECT.

WHEREAS, the Pure Water Program is a phased, multi-year program that uses proven technology to produce a safe, reliable and cost-effective water supply for the City. At full implementation in 2035, the Program will provide one-third (1/3) of San Diego's water supply locally and will reduce the City's ocean wastewater discharges by approximately one-half (1/2); and

WHEREAS, On April 10, 2018, the San Diego City Council approved the North City

Pure Water Project – Phase I (Project), which included discretionary land use approvals and an

Environmental Impact Report. The total Project is comprised of a number of segmented projects
that will deliver 30 million gallons per day of purified water from the Morena Pump Station to
the Miramar Reservoir; and

WHEREAS, ten construction packages will be put out to bid for the various segments of the Project; and

WHEREAS, San Diego Municipal Code, Chapter 2, Division 30, Section 22.3018(a), Alterations in Contracts sets the limit on alterations in contracts (change orders) without City Council approval at \$500,000 for major public works contracts; and

WHEREAS, the Projects (and non-Pure CIP projects bundled with Pure Water) are major public works CIP contracts and change orders for these projects typically may not exceed \$500,000 without City Council approval; and

WHEREAS, in 2012, the City Council approved the current change order limit of \$500,000 for major CIP projects. At that time the average construction contract value was approximately \$1.5 million, and the maximum was approximately \$20 million. The average estimated contract value among the ten Pure Water Phase 1 construction packages is \$90 million; and

WHEREAS, to achieve the goals and projected timeline to implement Phase 1 of the Project, City staff has determined that increasing the change order limit to \$1 million dollars will facilitate project efficiency and avoid project delays; and

WHEREAS, change orders for North City Pure Water Phase 1 Project will comply with all other requirements of San Diego Municipal Code section 22.3018; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. Notwithstanding the regulations contained in San Diego Municipal Code
Chapter 2, Article 2, Division 30 Alterations in Contracts, Section 22.3018, the Mayor or his
designee is hereby authorized to execute change orders necessary to fulfill the purpose of the
contract made by written agreement and in an amount not to exceed \$1,000,000 for North City
Pure Water Phase 1 Project, contingent upon the Chief Financial Officer providing one or more
certificates that the funds necessary for expenditures are, or will be, on deposit with the City
Treasurer.

Section 2. That a full reading of this ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

Section 3. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: MARA W. ELLIOTT, City Attorney

Christine M. Leone
Deputy City Attorney

CML:cw 10/23/18

Or.Dept: Public Utilities Department

CC No.: N/A

Document No.: 1862592

Passed by the Council of Th	ne City of San Die	go on TE	C. 0.4 2018	, by the follow	ving vote:
Councilmembers	Yeas	Nays	Not Present	Recused	
Barbara Bry	1 000	Trays			
Lorie Zapf)	□ ☑			
Chris Ward	□ Z ′	<u>K</u> J			
Myrtle Cole					
Mark Kersey	/ /	□ Ø	· □	П	
Chris Cate		Z Z			
Scott Sherman					
David Alvarez	□			П	
Georgette Gomez		П	П		
Goorgono Gomez	 				
Date of final passage	DEC 0 5 2018	·			
			KEVIN L. I	FAULCONER	
AUTHENTICATED BY:			Mayor of The City of	of San Diego, Califor	rnia.
			ELIZABET	H S. MALAND	
(Seal)		C	City Clerk of The City	of San Diego, Calif	fornia.
		Ву	Connie Ha	ttewon	_, Deputy
I HEREBY CERTI elapsed between the day of	-	-	s not finally passed unal passage, to wit, or		days had
NOV 15 20	18	, and on	DEC 0520)18	•
I FURTHER CERT dispensed with by a vote of available to each member of (Seal)	of five members of	of the Council, and the public prior to	the day of its passage ELIZABET City Clerk of The City	y of the ordinance ve. H.S. MALAND of San Diego, Calif	was made
		Office of	the City Clerk, Sar	-	