

# CHANGE ORDER NO. 11



**Date:** May 24, 2017

**To Contractor:** Stronghold Engineering, Inc.  
2000 Market Street, Riverside, CA 92501

**Project:** Monterey Conference Center Renovation Project, #30C1453  
Including Portola Plaza Renovation Project, #30C1601

**Permit No.:** B15-0397 and B15-0188

**Description of Change:** Refer to attached RFPs for additional information.

ITEM NO.	DESCRIPTION	SEI CP	CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIME
1	RFP-066, dated 03/27/17: Relocate Traffic Enclosure Requested by: City of Monterey Reason: PG&E determined any adjustment to the existing feed would trigger all new 3" conduit back to the transformer, across Del Monte Ave. The traffic service panel was relocated to the location of the existing PG&E feeders to not trigger new PG&E work.	224R1	\$12,085.55	0 Days
2.	RFP-067, dated 4/27/17: Fountain Edge Detail (RFI-731) Requested by: SOM Reason: The transition from paver to the fountain area in the Portola Plaza needed a metal angled edge detail to lock in the pavers.	268	\$7,456.32	0 Days
3.	SEI CP-102A, dated 2/08/17: Added structural steel detail for Delta Iron Requested by: City of Monterey Reason: During the steel erection portion of the project RFIs 157.1, 217, 338, 339, and 469 responses due to unforeseen conditions triggered additional detailing for the steel subcontractor.	102A	\$13,108.00	0 Days
4.	SEI CP-114R1, dated 04/24/17: Connect expansion joint fire blanket drains to drainage system Requested by: SOM Reason: Integral fire blanket drains where not shown in the drawings. Drains where connected to drainage system to not drain into building cavities.	114R1	\$3,049.89	0 Days

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- 5. SEI CP-220R1, dated 05/01/17: Provide different lights to Steinbeck East alcoves  
Requested by: SOM  
Reason: Lights in alcoves where shown in conflict with the return air duct; different smaller lights were specified in RFI-658.1 to fit on the sides of the duct. 220R1 \$3,009.64 0 Days
- 6. SEI CP-233R1, dated 04/2/017: Backing for lockers  
Requested by: SOM  
Reason: Backing was required for owner furnished lockers. 233R1 \$1,439.57 0 Days

**Summary of Contract Price**

Original Contract Amount	\$46,287,000.00
Prior Adjustments	<b>\$2,570,556.83</b>
Contract Sum Prior to this Change	\$48,857,556.83
<b>Adjustments for this Change</b>	<b>\$40,148.97</b>
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Revised Contract Amount	\$48,897,705.80


**Summary of Contract Time (All time is represented as CALENDAR Days)**

Revised Contract Time (single delivery)	474 Days	Date: 03/24/2017
<b>Adjustments for this Change</b>	<b>0 Days</b>	
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Revised Contract Time (single delivery)	474 Days	Date: 03/24/2017

*The Contractor waives any claim for further adjustments of the Contract Sum and Contract Time related to items contained in the Change Order. This Change Order is complete accord and satisfaction for all items included in this Change Order. Also refer to Article 9 of the General Conditions.*

*The foregoing adjustment of the Contract Price and the Contract Time for the changes noted in this Change Order (the "Changes") represents the full and complete adjustment of the Contract Price and the Contract Time due the Contractor for providing and completing such Changes, including without limitation: (i) all costs (whether direct or indirect) for labor, equipment, materials, tools, supplies and/or services; (ii) all general and administrative overhead costs (including without limitation, home office, field office and Site general conditions costs) and profit; and (iii) all impacts, delays, disruptions, interferences, or hindrances in providing and completing the Changes. The Contractor waives all rights, including without limitation those arising under Civil Code Section 1542, for any other adjustment of the Contract Price or the Contract Time on account of this Change Order or the performance and completion of the Changes.*

Reviewed and Recommended for Approval  
**Ausonio Incorporated**, Construction Manager

By:  6/13/17  
Dustin Conner Date  
Project Manager

Owner Approval  
**City of Monterey**

By:  6/13/2017  
Robert Harary, PE Date  
Principal Engineer/Capital Programs Manager

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Monterey Conference Center Renovation Project | #30C1453

Including Portola Plaza Renovation Project | #30C1601

Contractor Acceptance  
**Stronghold Engineering, Inc.**

See Attachment A: City of Monterey letter, entitled  
"Execution of Change Orders", dated 04/12/17

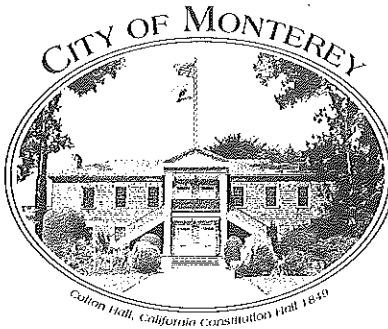
By:

Beverly Bailey  
President & CEO

Date

Attachments: RFP-066  
RFP-067  
SEI CP-102A  
SEI CP-114R1  
SEI CP-220R1  
SEI CP-233R1

Distribution: City of Monterey  
Skidmore, Owings & Merrill, LLP



## DEPARTMENT OF PLANS &amp; PUBLIC WORKS

April 12, 2017

Beverly Bailey  
Stronghold Engineering, Inc.  
2000 Market Street  
Riverside, CA 92501

Re: **Monterey Conference Center Renovation Project Including the Portola Plaza  
Renovation Project 30C1453 & 30C1601 - Execution of Change Orders**

Dear Ms. Bailey,

This letter is to document the fact that Change Orders No. 7, 8 and 9 have not been executed in accordance with the Change Order form included in the Contract Documents in Part V, Appendix D, page 9, of the Contract Forms.

In September 2016, it was in our mutual interest to add alternate language to Change Order No. 6, exclusively for "controversial" Items 1, gravity beam for Gridline K, and 2, additional scanning for base plates. Note that on the same Change Order 6, Item 3, regarding abatement and not considered "controversial," was covered by the same language included in the Contract Forms per the Contract Documents. Since that time, the City has never agreed to re-use the alternate language used specifically for Change Order No. 6 Items 1 and 2 for any subsequent Change Order items.

It is our understanding that Stronghold Engineering Inc. has refused to sign off on Change Orders No. 7, 8, and 9 using the Change Order language included in the Contract Documents. The City refuses to sign off on Change Orders 7, 8 and 9 with the alternate language requested by SEI. Consequently, we are at an impasse. Further, we anticipate that future Change Orders will have the same result.

Although Change Orders 7, 8 and 9 have not been executed per the Contract Documents, it is in our best interest to proceed with these change order tasks per the scope and cost as negotiated. Further, the City will continue to pay for these additional tasks on a monthly basis as they are being completed by SEI. However, both parties will not possess fully-executed Change Orders after No. 6, unless SEI becomes willing to execute these Change Orders in accordance with the Contract Documents.

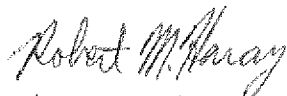
In addition, we suggest that you review General Conditions, Part III, page 45, Section 9.11, "Change Orders," which in part states:

*"All Change Orders shall be in full payment and final settlement of all claims for direct, indirect and consequential costs, including without limitation, costs of delays or impacts related to, or arising out of, times covered and affected by the Change Order, as well as any adjustments to the Contract Time."*

Therefore, neither cost increases nor additional time will be granted for these change order tasks regardless of having fully-executed change orders or not.

Please let me know if you have any questions.

Sincerely,



Robert M. Harary, P.E.  
Principal Engineer/Capital Programs Manager

CC: (by electric transmission only)  
Scott Bailey, SEI  
Denny McGahey, SEI  
Samuel J. Phillips, Ausonio  
Dustin Conner, Ausonio  
Hans Uslar, City of Monterey