

CHANGE ORDER NO. 9



Date: March 7, 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-027, dated 3/16/16: Correct Existing 2nd Floor Slab Elevation Issues Requested by: City of Monterey Reason: Existing elevations on the second floor slab varied from the contract documents. Cost includes an Ardex self-leveling fill applied to the existing slabs and a rigid insulation be added underneath the lightweight concrete where needed. Excludes credit for reduction of dowel requirements per RFI-639.	139R	\$160,067.00	0 Days
2.	RFP-048, dated 9/16/16: Relocate Fiber Outlets Requested by: City of Monterey Reason: Existing fiber drops were relocated from new wall locations as shown on the bid documents to ceiling locations for increased flexibility.		No Cost Change	0 Days
3.	RFP-050, dated 11/10/16: Add 16 Isolation Valves to Restroom Plumbing System Requested by: City of Monterey Reason: Install twelve (12) ¾" water isolation/shutoff valves and four (4) 2" water valves to isolate each of the restrooms.	122R	\$7,880.31	0 Days
4.	SEI CP-039, dated 5/31/16: Portola Plaza Soils Testing Fees Requested by: City of Monterey Reason: Soil testing was required by disposal facility in order to take it offsite.	039	\$7,296.00	0 Days

Change Order No. 9

Monterey Conference Center Renovation Project | #30C1453

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5.	SEI CP-086, dated 12/16/16: Add 2 W12x30 as per SSK-002 RFI-10 response Requested by: SEI Reason: The City does not necessary agree this item is owed however has elected to make a concession on this specific item. The two beams were shown in the plans but not called out.	86	\$1,723.00	0 Days
6.	SEI CP-088, dated 12/16/16: Add Steel Support for Gutter per RFI#214 Response Requested by: SEI Reason: Additional W8x13 Moment Beam was added at southeast corner roof.	88	\$2,591.00	0 Days
7.	SEI CP-121R, dated 02/14/17: Install 3" Combo Roof Drain 2nd Floor SW Entrance Requested by: SOM Reason: Roof drain was added above the "pop-out" entrance on the west side of the second floor in RFI-364.1.	121R	\$6,701.80	0 Days
8.	SEI CP-130R, dated 2/21/17: Add Furred out Wall Around Existing Framing at Door 317.B Requested by: SOM Reason: Added furring was called out in RFI-364.1 to enclose the structural framing.	130R	\$1,757.17	0 Days
9.	SEI CP-138R, dated 2/16/17: Provide Storm Drain Connection at Rm 108B Requested by: City of Monterey Reason: Storm drain connection shown in the drawings was not located in the field. SOM directed plumber to route the pipe to the nearest POC per RFI-573.	138R	\$11,640.14	0 Days
10.	SEI CP-143, dated 02/15/17: Relocate Existing Gas and Water Line per RFI-572.1 Requested by: City of Monterey Reason: The existing gas supply line for the generator and the chiller water line was found to be in conflict with the 2 nd floor restroom layout. Lines were relocated to the wall space behind the drinking fountains.	143	\$5,879.82	0 Days

Change Order No. 9

Monterey Conference Center Renovation Project | #30C1453

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11. Backcharge SOM Design Fee: Repair Hole in PT Slab (\$1,155.00) 0 Days
Requested by: SEI
Reason: During demolition SEI dropped a steel beam on the 2nd floor post tension deck and it created a hole in the slab. SOM provided a design to repair the hole.
12. Backcharge SOM Design Fee: Footing Re-Design (\$13,865.00) 0 Days
Requested by: SEI
Reason: SEI requested SOM look into other options for the footing retrofit to avoid placing rebar and concrete under the existing footing as shown on the drawings. SOM provided an alternative detail for the footing retrofit.

Summary of Contract Price

Original Contract Amount	\$46,287,000.00
Prior Adjustments	\$2,284,789.00
Contract Sum Prior to this Change	\$48,571,789.00
Adjustments for this Change	\$190,516.24
Revised Contract Amount	\$48,762,305.24


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

Revised Contract Time (single delivery)	474 Days	Date: 03/24/2017
Adjustments for this Change	0 Days	
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:  5/23/17
Dustin Conner Date
Project Manager

Owner Approval
City of Monterey

By:  5/23/2017
Robert Harary, PE Date
Principal Engineer/Capital Programs Manager

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By: Hans Usler 5/23/2017
~~Dino Pick~~ **HANS USLAR** Date

~~Deputy City Manager, Plans and Public Works~~

ASSISTANT

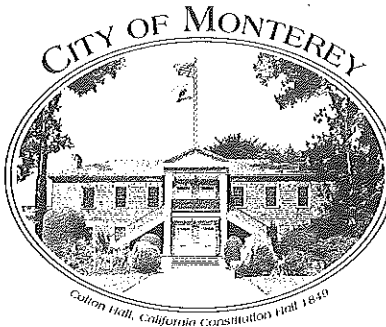
See Attachment A: City of Monterey letter, entitled
"Execution of Change Orders", dated 04/12/17

By: Beverly Bailey Date
President & CEO

Contractor Acceptance
Stronghold Engineering, Inc.

Attachments: RFP-027
RFP-048
RFP-050
SEI CP-086
SEI CP-088
SEI CP-121R
SEI CP-130R
SEI CP-138R
SEI CP-143

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



DEPARTMENT OF PLANS & 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.

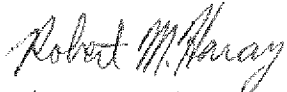
In addition, we suggest that you review General Conditions, Part III, page 45, Section 9.11, "Change Orders," which in part states:

"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