

**MINUTES OF THE CITY COUNCIL  
OF THE CITY OF LOS ALAMITOS**

**SPECIAL MEETING – October 23, 2014**

**1. CALL TO ORDER**

The City Council met in Special Session at 4:37 p.m., Thursday, October 23, 2014, in the Council Chamber, 3191 Katella Avenue, Mayor Pro Tem Murphy presiding.

**2. ROLL CALL**

**Present:** Council Members: Edgar, Grose, Kusumoto, Mayor Pro Tem Murphy

**Absent:** Council Members: Mayor Graham-Mejia

**Present:** Staff: Bret M. Plumlee, City Manager  
Cary Reisman, City Attorney  
Dave Hunt, City Engineer  
Corey Lakin, Community Services Director  
Todd Mattern, Police Chief  
Steven Mendoza, Community Development Director  
Windmera Quintanar, CMC, City Clerk

**3. SPECIAL ORDERS OF THE DAY**

**A. Change Order - Alley Improvement Project (CIP No. 14/15-02)  
(Public Works)**

This report sought authorization for Change Order No. 2 in the amount of \$22,126.81 to remedy damage caused by Golden State Water District. Golden State Water District has committed to reimbursing the City.

Community Development Director Mendoza summarized the Staff report, referring to the information contained therein, and answered questions from the City Council. He advised the amount for Change Order No. 2 should be \$23,126.81.

Motion/Second: Grose/Kusumoto

Motion: Authorize the City Manager to approve Change Order No. 2 in the amount of \$23,126.81 for Alley Improvement Project (CIP No. 14/15-02).

Council Member Edgar referred to Golden State Water's subcontractors and inquired if the contractors were taking responsibility for the broken water main. He stated concern for how the end contractor was treated.

City Engineer Hunt advised he did not know who the subcontractor was, but he had been in communication with Golden State Water's insurance who was working with the sub-contractors insurance. He advised the City would be reimbursed and it appeared Golden State Water would seek reimbursement from its subcontractor.

Council Member Edgar stated for projects of this nature the subcontractor would be responsible for putting the property back to how it was. He referred to the Staff time involved for the City and Golden State Water and asked what the total cost was. He stated concern Council was approving a change order that did include all costs and was concerned for how the lowest level companies doing all the work are treated.

City Engineer Hunt advised Golden State Water had brought out two pump trucks to drain the water and were doing an emergency repair on Friday changing the PVC pipes to copper. He stated the City would not see the cost for that as it was Golden State Water's responsibility in this situation. He advised the change order was to pay the City's contractor to fix the soil. He indicated he could request the total cost from Golden State Water should Council direct such.

Council Member Edgar stated concern the Staff report did not cover the total cost of the damage.

City Engineer Hunt advised it was unknown.

Council Member Edgar indicated it was the City's project.

Community Development Director Mendoza explained the process: Council awarded the bid to Horizons to reconstruct an alley; during the project, the blacktop is removed; and, Golden State Water takes advantage of the opportunity to install new meters. He advised the City did not have a contract for this and it was not in the projects Scope of Service. Golden State Water used one of their subcontractors for that process and therefore the cost of pumping the water is their responsibility. He advised the subcontractors were immediately removed from the process.

City Engineer Hunt advised Golden State Water tries to do maintenance with all the City's street projects. Golden State Water works with the City to ensure they have enough time to remove and replace the valves within the construction schedule.

Council Member Edgar asked who pulled the permit for this job.

City Engineer Hunt explained the City had hired Horizons. They were given a contract to do the work and the process did not require permits to be issued.

Council Member Edgar indicated he was very interested in the process and gave his understanding. He stated Horizons had the contract and pulled permits and then something happened on the project that was not directly their responsibility. He stated Horizons had an open permit with the City and asked if another permit was issued under that project for the water lines.

City Engineer Hunt stated before a construction job begins the City holds a preconstruction meeting with all involved parties, including the utilities, to go over the project specifications. He indicated permits were not required to be pulled by the utility companies when they wanted to complete routine maintenance such as replacing valves. However if they were pulling in new lines or trenching, permits would be required. He advised even if the City had wanted to replace the valves, the utility companies would prefer to do it themselves at no charge to the City.

Council Member Edgar indicated that part of pulling the permit was marking items such as the water main.

City Engineer Hunt advised the water valve was accessible from the top. The subcontractor opened it up with a crowbar and broke the pipe down below. He stated the pipe was broken due to the way it was opened and had no correlation to the City's contract for excavating. Golden State Water planned to put in a concrete box and new valves with no charge to the City.

Council Member Edgar questioned the liability and if an issue happened with Golden State Water's subcontractor that took time to be remedied, who would ultimately be responsible. He believed it would be the person who pulled the permit.

City Engineer Hunt clarified that the person who created the damage would be liable. He stated the City had master agreements with all utilities and permits were not required.

Council Member Edgar understood the contractor pulled a permit for a project, the utility company wanted to do maintenance, and the issue was talked over and permission was given. He asked in this type of event if everyone understood what would happen. He questioned if Horizons was waiting for the job to be fixed.

City Engineer Hunt indicated Horizons had been busy every day and had not experienced any down time.

Community Development Director Mendoza added Staff had been documenting the crews work to ensure no downtime was occurring.

Council Member Edgar questioned who would be charged if down time did occur.

City Engineer Hunt stated the City would be charged and would then seek reimbursement from Golden State Water. He advised there were three solutions available and Staff had picked the fastest, most efficient and affordable option. He reiterated agreements were in place with all utilities for maintenance items.

Council Member Edgar indicated the City would not be surprised if Horizons submitted a downtime claim and would help to facilitate it to where it needed to go.

Community Development Director Mendoza agreed and added the claim would be verified as well. He pointed out this incident was only 600 linear feet of the total 11,000 linear feet of the total project. He believed there was plenty of work to be done and advised Staff had been documenting emails and photos to the file to help ensure nothing was claimed against the City.

Council Member Edgar stated concern that Horizons subcontractors would pay the price if the City rejected the downtime claim. He believed the contract would cost more than \$25,000. He understood the City had agreements with the utilities for indemnification, but pointed out Horizons did not. He stated concern that the job was held up and thought it was realistic to assume Horizons would submit a bill for downtime since crew, equipment, and supplies were ordered in advance.

City Engineer Hunt indicated the only material was concrete and it was ordered the day it is to be poured. The contact was small and only required a small crew. He stated the crew was ready to begin work tomorrow with Council's approval tonight. He indicated Horizons would not have a liable claim for any downtime. He agreed there would be additional costs, but those would be borne by Golden State Water.

Council Member Edgar stated concern the claims would not be paid and the subcontractor would incur the additional costs.

City Engineer Hunt stated Golden State Water was called direct and had used its own crews and trucks. There were no subcontractors and the City would not see those costs.

Council member Kusumoto asked if there were additional cost, the City would have remedies to seek reimbursement. He clarified this was not agreement to settle with Golden State Water.

Community Development Director Mendoza confirmed.

Council Member Kusumoto agreed he did not want to see the subcontractors penalized.

Council Member Edgar stated there was an amount to the change order.

Council Member Kusumoto believed if the amount was not enough it could come back to Council.

Council Member Edgar asked if that would require a special meeting.

Community Development Director Mendoza explained changes under \$10,000 could be approved by the City Manager. He indicated this issue would be reimbursed by Golden State Water.

Council Member Kusumoto reiterated support for not penalizing the subcontractors.

Community Development Director Mendoza stated Horizons has not voiced any complaints and wanted to ensure the process kept moving along so residents could return to their garages.

Mayor Pro Tem Murphy asked if the City would be reimbursed for Staff's time.

Community Development Director Mendoza stated himself and Public Works Superintendent Brandyberry were salaried and had supervised the extraction of all the water. He indicated staff time was minimal, but if Council was interested, a claim could be placed. He did not believe it was worth the time.

Mayor Pro Tem Murphy asked about City Engineer Hunt's time.

City Engineer Hunt indicated he had also been there Friday night, but it could be considered part of the job visits that would have been done with the normal process.

Motion/Second: Grose/Kusumoto

Unanimously Carried: The City Council authorized the City Manager to approve Change Order No. 2 in the amount of \$23,126.81 for Alley Improvement Project (CIP No. 14/15-02).

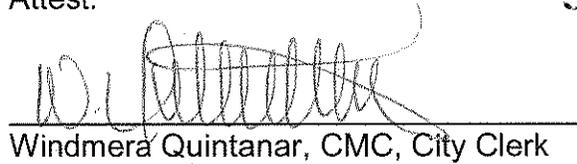
Mayor Pro Tem Murphy opened Oral Communications. There being no one present wishing to speak, Mayor Pro Tem Closed Oral Communications.

**4. ADJOURNMENT**

The City Council adjourned at 4:58 p.m.

  
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Gerry L. Graham-Mejia, Mayor

Attest:

  
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Windmera Quintanar, CMC, City Clerk