



# STAFF REPORT

DATE: 02/05/2025  
TO: Honorable Mayor and City Council Members  
FROM: Public Works Department

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**2025-44**

## REQUEST FOR CITY COUNCIL ACTION

### **SUBJECT:**

APPROVE, PURSUANT TO STATUTORY AND COMMON-SENSE EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, CONTRACT CHANGE ORDERS NO. 7 AND NO. 8 WITH PACIFIC HYDROTECH CORPORATION TO INCREASE THE CONTRACT AMOUNT BY \$1,545,933, FOR THE WATER RECLAMATION FACILITY #3 LIFT STATION PROJECT, CAPITAL IMPROVEMENT PROJECT NO. UT-2015-05

### **EXECUTIVE SUMMARY:**

This staff report asks the City Council to approve, pursuant to statutory and common-sense exemptions from the California Environmental Quality Act (“CEQA”), various contract change orders with Pacific Hydrotech Corporation for the Water Reclamation Facility #3 (WRF3) Lift Station Project, Capital Improvement Project No. UT-2015-05. The contract change orders are for 2023 and 2024 work completed to maintain appropriate site conditions and cover rental equipment costs, and, in 2025, to maintain appropriate site conditions, cover rental equipment costs, and assist with the reinterment of the ancestral remains inadvertently discovered on the Project site.

### **RECOMMENDED ACTION:**

That the City Council:

- a. Approve, pursuant to statutory and common-sense exemptions from the California Environmental Quality Act, contract Change Orders No. 7 and No. 8 with Pacific

Hydrotech Corporation for the Water Reclamation Facility #3 Lift Station Project, Capital Improvement Project No. UT-2015-05, to increase the contract amount by \$1,545,933, for a total contract amount of \$7,274,840.

- b. Authorize the City Manager, or his designee, to execute contract change orders with Pacific Hydrotech Corporation to increase the contract amount by \$1,545,933, amending the total contract amount to \$7,274,840 including any non-substantive extensions, change orders, purchase orders, and amendments up to \$727,484, which is equivalent to 10% of the revised contract amount.
- c. Authorize the City Manager, or his designee, to issue a change order to Purchase Order P21893 to Pacific Hydrotech Corporation in the amount of \$1,545,933.
- d. Authorize an appropriation in the amount of \$700,000 from Sewer Utility Fund 572 to the WRF #3 Lift Station Project, Capital Improvement Project No. UT-2015-05.

**BACKGROUND & HISTORY:**

On November 4, 2020, the City awarded a construction contract to Pacific Hydrotech Corporation (Contractor) in the amount of \$5,208,096 for the Water Reclamation Facility #3 (WRF3) Lift Station Project, Capital Improvement Project No. UT-2015-05 (“Project”), and authorized necessary change orders up to ten percent (10%) of the contract amount (\$520,809). Construction on the Project began in January 2021.

On May 17, 2021, contract Changer Order No. 1 was approved in the amount of \$9,360 for needed infrastructure to support Project improvements, which included a cable rail system on top of a retaining wall and an additional layer of concrete masonry unit (CMU) block for the retaining wall.

On June 14, 2021, contract Changer Order No. 2 was approved in the amount of \$130,395 due to unforeseen conditions, which required additional soldier beams and steel plate shoring for excavations of the designed improvements.

On June 29, 2021, contract Changer Order No. 3 was approved in the amount of \$28,083 due to unforeseen conditions, which required additional field excavations to investigate conflicting underground utilities, which resulted in relocation of said utilities for the design improvements.

On June 25, 2021, contract Changer Order No. 4 was approved in the amount of \$318,490 due to unforeseen conditions, which required the installation, operation, and removal of a dewatering system as necessary to install shoring and construct the lift station structure, as groundwater was not present at the time of exploration for the geotechnical study.

With the approval of contract Change Order No. 4, the original completion date of February 8, 2022, was extended to June 9, 2022.

On March 30, 2022, while excavating between stations 4+30 and 4+50, the Contractor uncovered what appeared to be a human skull in the sidewall of the trench. Remains were also discovered in soils removed from the trench that had been deposited on top of the spoils pile located adjacent to and east of the trench excavation.

After the discovery, the Contractor immediately stopped work and, in accordance with Health and Safety Code section 7050.5, Corona notified the Riverside County Coroner who came to the Project Site and determined that the human remains were historic. Thereafter, the Coroner notified the Native American Heritage Commission (Commission) of the discovery of Native American human remains.

On April 5, 2022, the Commission designated Soboba Band of Luiseño Indians and the Gabrieleno Band of Mission Indians – Kizh Nation (“Kizh Nation”) as the people most likely descended (MLD) from the deceased Native American pursuant to Public Resources Code section 5097.98, subdivision (a). On May 10, 2022, the Commission designated the Pechanga Band of Indians as the third co-MLD.

On August 8, 2022, a deductive contract Changer Order No. 5 was approved, crediting an amount of \$27,668 due to field change directives which removed scope, including covering some unforeseen conditions, which was due to the removal of buried encasement material, and extra materials needed to bridge the subgrade for the new lift station structure. This change order revised the completion date to July 29, 2022.

In September 2022, all work on the Project was suspended, and the Contractor was directed to stop all work.

Since the discovery of the ancestral remains, a significant amount of City resources have been expended on conferral and continuous tribal monitoring with the 3 MLDs, an archeologist consultant, special legal counsel services, and staff time in Public Works, Utilities, and the City Manager’s Office.

On April 10, 2023, contract Change Order No. 6 was approved to cover the rental equipment costs incurred by the Contractor to protect and maintain the site in coordination with the 3 MLDs, such as trench shoring, temporary fencing, and site facility items required to remain onsite through June 2023.

Ultimately, the City exercised its statutory right under Public Resource Code, § 5097.98, subd. (e) to proceed with efforts to reinter the discovered Native American human remains and associated items with appropriate dignity on the Project site.

The Contractor has submitted contract Change Order No. 7. Contract change order No. 7, in the amount of \$682,789, would cover the rental equipment and additional maintenance cost through October 2024.

The Contractor has also submitted contract Change Order No. 8, in the amount of \$925,627, to permit the Contractor to assist with the reinterment of the ancestral remains and associated grave goods and to protect and maintain the site through December 2025.

Because contract Change Orders No. 7 and No. 8 exceed the original 10% contingency, staff requests the City Council's approval of additional funding.

**ANALYSIS:**

Contract Change Order No. 7 will compensate the Contractor for the 2023 costs for work to protect and maintain the site in coordination with the 3 MLDs and 2024 costs for rental equipment and additional maintenance. Contract Change Order No. 8 would permit the Contractor to provide assistance with the reinterment of the ancestral remains and associated grave goods and to protect and maintain the site until December 2025. The amount of the change orders being requested exceeds what the Council has previously authorized; therefore, staff is requesting additional funds in order to move forward with the Project. Currently, these change orders do not update a revised completion date, as a new completion date cannot be determined until after the reinterment is completed.

**FINANCIAL IMPACT:**

Approval of the recommended actions will result in an appropriation of \$700,000 from Sewer Utility Fund 572 to the WRF #3 Lift Station Project, Capital Improvement Project No. UT-2015-05.

The estimated construction cost for this project is outlined as follows:

<b>Original Construction Contract .....</b>				
<b>\$5,208,096</b>				
Contract	Change	Order	Number	1
			\$9,360	
Contract	Change	Order	Number	2
			\$130,395	
Contract	Change	Order	Number	3
			\$28,083	
Contract	Change	Order	Number	4
			\$318,490	
Contract Change Order Number 5 .....				
(\$27,668)				
Contract	Change	Order	Number	6
			(\$332)	
<b>Subtotal Contract Change Order.....</b>				
<b><u>\$458,328</u></b>				
Contract	Change	Order	Number	7
			\$682,789	
Contract	Change	Order	Number	8
			\$925,627	

**Subtotal Proposed Change Order .....**  
**\$1,608,416**

**Total Construction Costs Up to Change Order 8 .....**  
**\$7,274,840**

Amended Construction Contract .....

\$7,274,840

Requested Construction Contingency (10%) .....

\$727,484

Construction .....

Support

(10%)..... \$700,000

**Adjusted Total Construction Costs .....**  
**\$8,702,324**

Staff is requesting an additional appropriation for construction support for 2023-2024 and, going forward, 2025 staff time, inspection, tribal monitors, materials, and any other associated costs for the continued site maintenance and reinterment process.

Staff recommends an appropriation as follows:

<b>Project No.</b>	<b>Fund</b>	<b>Current Balance</b>	<b>Appropriation</b>	<b>Revised Balance</b>
UT-2015-05 WRF #3 Lift Station Project, Capital Improvement	Sewer Utility Fund 572	\$969,899.63	\$700,000	\$1,669,899.63

**ENVIRONMENTAL ANALYSIS:**

Change Order No. 7 concerns payment for actions that occurred in 2023 and 2024 and, as such, are not a “project” subject to CEQA as defined by Public Resources Code section 21065, and CEQA Guidelines section 15078 as they have no potential for resulting in either a future direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; alternately, as the actions have already occurred, Change Order No. 7 is exempt from CEQA pursuant to the common-sense exemption provided for the CEQA Guidelines section 15061(b)(3) which applies to projects where it can be seen with certainty that there is no possibility that the activity in question, which has already occurred, may have a significant effect on the environment.

Change Order No. 8 concerns the City’s exercise of its statutory duty to proceed with efforts to reinter the discovered Native American human remains and associated items with appropriate dignity on the Project site. (Public Resource Code, § 5097.98, subd. (e).) Accordingly, Change Order No. 8 is not subject to CEQA pursuant to the statutory exemption in Public Resources Code section 5097.98 (g), which provides “Notwithstanding Section 5097.9, this section, including those actions taken by the landowner or his or her authorized representative to implement this section and any action taken to implement an agreement developed pursuant to subdivision (l) of Section

5097.94, shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).” City staff will file a Notice of Exemption with the County of Riverside. ).” City staff will file a Notice of Exemption with the County of Riverside

**PREPARED BY:** SERENA HINOJOSA, ASSOCIATE ENGINEER

**REVIEWED BY:** SAVAT KHAMPHOU, PUBLIC WORKS DIRECTOR

**ATTACHMENTS:**

1. Exhibit 1 - Construction Contract
2. Exhibit 2 - Approved Change Order Number 1
3. Exhibit 3 - Approved Change Order Number 2
4. Exhibit 4 - Approved Change Order Number 3
5. Exhibit 5 - Approved Change Order Number 4
6. Exhibit 6 - Approved Change Order Number 5
7. Exhibit 7 - Approved Change Order Number 6
8. Exhibit 8 - Proposed Change Order Number 7
9. Exhibit 9 - Proposed Change Order Number 8