

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
BOARD OF DIRECTORS MEETING**

DATE: August 8, 2018
TO: Board of Directors
FROM: Kelly McCullough, Finance Manager
REVIEWED BY: Rafael Payan, General Manager
SUBJECT: Consider Approval of Change Order to Ranch Fence Contract

RECOMMENDED ACTION

Staff respectfully recommends the Board consider and approve the attached change order to the Ranch Fence Contract, with the approval contingent upon the District's Joint Powers Insurance Agency paying the District's ranch fencing claim in full, including the additional amount of this proposed change order, as recommended by the insurance adjuster at Sedgwick (**ATTACHMENT 1**).

FISCAL IMPACT:

\$81,787.20

FUNDING SOURCE:

6265 – Soberanes Fire Repairs

FUNDING BALANCE:

\$0

DISCUSSION:

On February 8, 2017, staff requested and were granted permission to re-advertise the Palo Corona Regional Park Post-Soberanes Fire Fencing Repairs Request for Bids. On June 14, 2017 the Board awarded the contract to Ranch Fence. The work commenced in December 2018. The District was notified by the contractor on April 26, 2018 that work was complete.

Supervising Ranger Camarillo notified the District that the contractor informed him there was a discrepancy in the mileage of fence listed in the contracting documents, approximately 14-miles, and the amount that they actually installed. Discussion then ensued regarding the amount of fence actually installed and a measurement was taken by the contractor, who was accompanied by District Staff.

Staff submitted a claim to the CJPIA insurance authority who turned over the investigation to its insurance adjusters, Vericclaim, now known as Sedgwick. After a lengthy period of time the District was contacted by the Contractor and notified that the insurance investigator had met with the Contractor and had verified the documentation as to mileage and additional costs for materials, labor and overhead. The investigator's report is attached (**ATTACHMENT 2**). The Contractor stated that they would be submitting a change order request for the additional costs subject to confirmation of payment by the insurance

company. Ranch Fence subsequently submitted a change order to the District in the amount of \$81,787.20.

The District has been awaiting confirmation from the adjuster that they will indeed be reimbursing the District for the original contract amount in addition to the recently requested Change Order. We recently received the attached email from the Regional General Adjuster at Sedgwick (**ATTACHMENT 3**).

Therefore, staff is requesting that the Board consider approving the attached Change Order request in the amount of \$81,787.20 for additional costs for additional installation & materials mileage incurred by the contractor contingent upon the District's Joint Powers Insurance Agency paying the District's ranch fencing claim in full, including the additional amount of this proposed change order, as recommended by the insurance adjuster at Sedgwick.

ATTACHMENTS:

1. [Change Order](#)
2. [Insurance Investigator's Report](#)
3. [Email from Regional General Adjuster - Sedgwick](#)