

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

MEMORANDUM

DATE: NOVEMBER 8, 2022

TO: BOARD OF DIRECTORS
Lake Arrowhead Community Services District

FROM: SCOTT SCHRODER, Engineering Manager

CATHERINE CERRI, General Manager

SUBJECT: CONSIDER TERMINATING THE CONTRACT
FOR THE SPYGLASS PRE-STRESSED
CONCRETE TANK PROJECT NO. 179

A. RECOMMENDATION

It is recommended that the Board of Directors terminate the contract for the Spyglass Pre-Stressed Concrete Tank Project No. 179 (“Project”) with Trinity Construction at no fault to the contractor.

B. REASON FOR RECOMMENDATION

The project was awarded to Trinity Construction on May 25, 2021. There have been delays to the project by Southern California Edison. Due to the delays and the rising cost of materials, labor, and equipment, the contractor cannot complete the project for their total bid of \$3,101,771. Trinity Construction was informed about the staff’s intention to recommend to the Board the termination of their contract and rebid the project under the Termination of Contract by the District (Contractor not at fault) clause, and according to Part 10.0.C. of Section F – Quality Assurance and Quality Control of the General Conditions.

C. BACKGROUND

This project encompasses the removal of an existing reservoir, slope stabilization, and the construction of a new 0.4 MG Prestressed concrete tank. The existing 300,000-gallon tank was constructed in 1972 on a graded pad and an approximately 1:1 (horizontal: vertical) slope into the hillside. The cut slope varies from 12 to 40 feet and throughout the years, the slope has been failing due to erosion. A map depicting the Project’s general area is shown below.

D. FISCAL IMPACT

The budget for FY 20/21 includes \$3,250,407 for the Project and the funds are provided by the Water Capital Improvement Fund (110). There was contract work performed by the contractor between June 30, 2021, and September 9, 2021. The total amount paid to Trinity is \$264,950 for the work performed.

E. ENVIRONMENTAL IMPACT

The termination of the construction contract is an administrative action; therefore, it does not qualify as a project under the California Environmental Quality Act (“CEQA”).

F. ATTACHMENTS

None

