
File ID: 2026-01226

7/21/2026

[Contract Amendment] Combined Sewer System (CSS) Pipe Program Replacement and Rehabilitation (R&R) Block 6

File ID: 2026-01226

Location: District 4

Recommendation: Pass a **Motion:** 1) authorizing the City Manager or designee to execute Change Order No. 3 to City Agreement No. 2025-0770 with Soracco, Inc. for Combined Sewer System Pipe Program (X14170100; Fund 6021), for an amount not-to-exceed \$67,805, bringing the agreement's total not-to-exceed amount to \$1,325,428; and 2) ratifying all previous contract amendments executed pursuant to the City Manager's delegated authority to execute contract amendments and thus resetting the City Manager's or designee's authority to issue change orders for City Agreement No. 2025-0770.

Contact: Kyle Beltran, Project Manager, (916) 808-3828, kbeltran1@cityofsacramento.org; Michelle Carrey, Engineering & Water Resources Division Manager, (916) 808-1438, mcarrey@cityofsacramento.org; Dalia Fadl, Director, (916) 808-3765, dfadl@cityofsacramento.org; Department of Utilities

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Contract

Description/Analysis

Issue Detail: Staff recommends City Council approve Change Order No.03 with Soracco, Inc. for the City Agreement No. 2025-0770, to compensate the Contractor for performing additional work related to the Combined Sewer System (CSS) Pipe Replacement and Rehabilitation (R&R) Block 6 Project.

In November 2025, the City of Sacramento (City) approved Change Order No. 2, which directed the Contractor to perform sewer repairs on the existing sewer main along the Old Sacramento Waterfront near the Delta King, and between L and K Streets. The work in Change Order No. 3 is the additional work associated with the sewer repair work performed in Change Order No. 2. The need for the additional sewer repair was discovered during the construction work performed under Change Order

No. 2, and the issue was unanticipated at the time that change order was executed.

This work included, but was not limited to, additional potholing, saw cutting, excavation, shoring, support, traffic control, backfill, and surface restoration performed between December 17, 2025, and February 13, 2026. Additionally, this change order includes balancing the overruns and underruns of the contract quantities and reconciling the final contract amount based on the actual work completed during construction. The total cost of this work is \$67,805, which was determined using the City Standard Specification 8-10, "Payment by Cost and Percentage" and includes all labor, equipment, materials, overhead, and markups for the work described above.

Policy Considerations: This Change Order exceeds the City Manager's approval authority and requires Council approval pursuant to City Code 3.04.020. The original contract value was \$1,186,368, allowing the City Manager authority to approve contract amendments up to a cumulative amount of 8% of the original contract price, or \$94,910. This Change Order exceeds that amount and therefore requires Council approval.

Economic Impacts: This phase of the project was expected to create 0.27 total jobs (0.16 direct jobs and 0.11 jobs through indirect and induced activities) and create \$ \$41,865.18 in total economic output (\$26,387.94 of direct output and another \$ \$15,477.24 of output through indirect and induced activities).

The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations: This project was reviewed and determined to be categorically exempt from the California Environmental Quality Act (CEQA) under Section 15302. This project includes replacing existing combined sewer mains (utility systems) involving negligible expansion of capacity (CEQA Guidelines Section 15302 (c)).

Sustainability: The project is consistent with the 2040 General Plan goal PFS-3.6, "Combined Sewer System Rehabilitation and Improvements," as it rehabilitates and improves the CSS to decrease flooding, CSS outflows, and combined system overflows (CSOs).

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Change Order No. 3 is needed to provide compensation for the labor, equipment, markup, surcharges, and fees associated with the additional construction activities

performed between December 17, 2025, and February 13, 2026, while the City of Sacramento and Soracco, Inc. performed sewer improvements near the Old Sacramento Waterfront, between L Street and K Street. The value of Change Order No. 3 exceeds the approval authority of the City Manager as the sum of all contract amendments for this agreement exceed 8% of the original contract value (City Code 3.04.020.A.3).

Financial Considerations: The original not-to-exceed amount of the contract was \$1,186,368. The net change by previous change orders in the amount of \$71,255, increased the contract not-to-exceed amount to \$1,257,623. Proposed Change Order No. 3 in the amount of \$67,805 would increase the contract not-to-exceed amount to \$1,325,428. There are sufficient funds in the Combined Sewer System Pipe Program (X14170100; Fund 6021) to execute this Change Order.

There are no General Funds allocated or planned for this project.

Local Business Enterprise (LBE): Soracco, Inc. is not an LBE but has partnered with Pace Supply Corp, Anrak Corp, and APS Environmental for this project to exceed the minimum LBE participation requirement. Pace Supply Corp will provide sewer pipe materials. Anrak Corp will provide asphalt grinding services. APS Environmental will provide closed-circuit television (CCTV) services.

Contract Routing Sheet

Payment / Performance Bond Only

General Routing Information

Department: Utilities Department

Contract Coordinator: Sarah Williams Email: sewilliams@cityofsacramento.org

Effective Date: _____ Expiration Date: _____

Grant/Project Name: CSS Pipe Program R&R Block 6

Other Party: Soracco, Inc.

Original Not to Exceed Amount: \$1,257,622.68

Assessor's Parcel Number(s): _____

Project Number: X14170115 Bid/RFQ/RFP#: B25141323007

Supplements/Addendums/Change Orders ☒

Adjusted Amount of this Change (+/-): \$67,804.88 New Not to Exceed Amount: \$1,325,427.56

Change In Scope: No

Original Contract Number: 2025-0770 Supplement Number: 03

Council Approval ☒

Original Meeting Date: 7/22/2025 Council File ID: 2025-01300

Supplement Meeting Date: 7/21/2026 Council File ID: 2026-01226

Processing Information

Clerk's Office to Mail for Recording
Return to Dept for Other Party Signature
Real Estate

Return to Dept for Recording
Construction Related
Additional Originals Attached – Return to Dept.

Add notes/instructions, including any other contract or council file ID numbers related to this agreement:

Signing Authority - Department Directors up to \$100K; \$100K - \$250K City Manager or Assistant City Manager; \$250K+ Council Approval & Council Appointee or designee.

Department Review and Routing

AB 339 Review Confirmation (if needed) Kyle Beltan (Jun 8, 2026 13:37:56 PDT)

Sign Construction Mgmt: [Signature]

Sign Supervisor: [Signature]

Sign Division Manager: [Signature]

Sign Fiscal: Gabriela Torres (Jun 11, 2026 12:22:46 PDT) O&M: [Signature]

Sign Director of Utilities: Dalia Fadi (Jun 18, 2026 16:02:21 PDT)

CITY OF SACRAMENTO

CHANGE ORDER

Contract # & Date: 2025-0770 7/22/25

Budget #: 472011-50000-6021-51000000-X14170115
472011-50000-6006-51000000-X14170115

Purchase Order #: 83003

Change Order No: 003

Sacramento, California

May 25, 2026

TO: Soracco, Inc., Contractor

CONTRACT FOR: CSS Pipe Program R&R Block 6

Upon mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "CITY", and your firm, hereinafter referred to as "CONTRACTOR", in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following change or changes for the consideration set forth below:

Description: See Exhibit A & B, attached and incorporated herein.

The original contract sum was:	\$ 1,186,368.00
Net change by previous change orders:	\$ 71,254.68
The contract sum prior to this change order was:	\$ 1,257,622.68
The contract sum will be <u>increased</u> by this Change Order:	\$ 67,804.88
New contract sum including all Change Orders:	\$ 1,325,427.56

CONTRACTOR agrees that the amount of increase or decrease in the contract sum specified in this change order shall constitute full compensation for the work required by this change order, including but not limited to all compensation for the additional and/or revised work specified herein, and shall fully compensate CONTRACTOR for any and all direct and indirect costs that may be incurred by CONTRACTOR in connection with such additional and/or revised work, including any changes, disruptions or delays in work schedules or in the performance or other work by CONTRACTOR. The time for performance of the Contract will be increased by sixty-five (65) days by reason of the performance of the work required by this Change Order. Except as herein above expressly provided, CONTRACTOR further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the Contract between CITY and CONTRACTOR for the project.

Approval Recommended By:


Kyle Beltran (Jun 8, 2026 13:37:56 PDT)

Project Manager – Kyle Beltran

Jun 8, 2026

Date

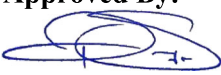
Approved as to Form by:

Michael Voss

Michael Voss, Senior Deputy City Attorney

Jun 18, 2026

Approved By:



Contractor – Soracco, Inc.

Jun 11, 2026

Date

Approved By:

Ryan Moore, Assistant City Manager, Department of Utilities

Approved By:

Mindy Cuppy – City Clerk

Date

**CITY OF SACRAMENTO
CHANGE ORDER
EXHIBIT A**

Contract # & Date: 2025-0770 7/22/25

Budget #: 472011-50000-6021-51000000-X14170115
472011-50000-6006-51000000-X14170115

Purchase Order #: 83003

Change Order No: 003

Change Order Items:

1. Front Street Pipe Bursting Phase 3

Ref: PCO 04, FOD 03, RFI 05

In accordance with City of Sacramento Standard Specification Section 4-4 “Changes in the Work” and Section 4-6 “Extra Work”, the City directed the Contractor to execute Field Order Directive No. 03 (FOD 03), dated September 26, 2025. On September 11, 2025, wastewater operation and maintenance staff responded to sewer services issues at the Delta King along the Old Sacramento Waterfront. Investigation found that the sewer main leading to the Delta King and adjacent mains showed signs of structural deterioration and have exceeded their service lives. On September 12, 2025, City staff installed a bypass system to ensure uninterrupted sewer service until a permanent repair could be determined and implemented. FOD 03 proposes to replace the 410 linear feet of sewer main between manholes 238-CC13 and 227-CC13 to restore the sewer system to City standards and eliminate the need for the bypass system. This work is in addition to the Phase 1 and 2 work identified in Contract Change Order No. 1 and No. 2, and has been previously paid for under those change orders, which included all mark-ups, profits, surcharges, taxes, and overhead costs. This change order item provides forty-five (45) additional workdays will be added to the contract for this work.

(Database Code: Owner Requested Change)

Total This Item: \$0.00

**CITY OF SACRAMENTO
CHANGE ORDER
EXHIBIT B**

Contract # & Date: 2025-0770 7/22/25

Budget #: 472011-50000-6021-51000000-X14170115
472011-50000-6006-51000000-X14170115

Purchase Order #: 83003

Change Order No: 003

Bid Item Quantity Adjustments:

In accordance with the applicable provisions of Sections 8, "Measurement and Payment" of the City of Sacramento Standard Specifications (CSSS) and the Contract's Special Provisions, the Contractor agrees to the following adjustment of the original bid item quantities:

Increase in Contract Items at Unit Prices:

Item No.	Description	Units	Unit Cost	Original Authorized Quantity	Quantity Change	Revised Authorized Quantity	% Difference	Amount
20	Substandard Sewer Service Removal & Reinstatement	EA	\$8,925.00	14	14	28	100%	\$124,950.00

Total **Increased** Bid Quantity Item: \$124,950.00

Decrease in Contract Items at Unit Prices:

Item No.	Description	Units	Unit Cost	Original Authorized Quantity	Quantity Change	Revised Authorized Quantity	% Difference	Amount
22	6" P.C.C. Alley	SF	\$12.00	7,456	(868)	6,588	-11.64%	(\$10,416)
26	Unsuitable Material, Removal, and Replacement	CY	\$119.00	283	(215)	68	-75%	(\$25,585)
CCO 2.1	Front Street Pipe Bursting Phase 2	LS	\$151,167.00	1	(0.1017)	0.8983	-10.17%	(\$15,375)
CCO 2.2	CCO 2.2 - Bid Item 21 Quantity Increase – 6" Asphalt Concrete Pave	TON	\$357.00	25	(16.16)	8.84	-64.64%	(\$5,769.12)

Total **Decreased** Bid Quantity Item: (\$57,145.12)

Reason for Change:

Contract Balance Change order created to compensate all differences for bid quantities due to changes per Field Change Document or previous Contract Change Orders.

In accordance with City of Sacramento Standard Specification Section 4-4, "Changes in the Work," and Section 4-6, "Extra Work," the City directed the Contractor to reinstate substandard sewer services found along Powerhouse Alley, between 21st Street and 23rd Street. Twenty (20) additional workdays will be added to the contract for this work.

(Database Code: Owner Requested Change)

Total **Bid Item Quantity Adjustments:** \$67,804.88

Total This Change Order: \$67,804.88