

# STAFF REPORT

DATE: May 11, 2009

TO: Water/Sewer Committee

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **APPROVAL OF CHANGE ORDER 1 IN THE AMOUNT OF \$23,350 TO DON HUBBARD CONTRACTING COMPANY OF SAN MARCOS FOR THE BUENA VISTA FORCE MAIN TEMPORARY LIFT STATION CONNECTION PROJECT**

## **SYNOPSIS**

Staff recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve Change Order 1 in an amount not to exceed \$23,350 to Don Hubbard Contracting Company of San Marcos for the Buena Vista Force Main Temporary Lift Station Connection project for additional work requested by the City; and authorize the City Engineer to execute the change order.

## **BACKGROUND**

The Buena Vista Force Main Temporary Lift Station Connection project consists of making a temporary connection from the existing Buena Vista Lift Station to the new force main that was installed to replace the existing 1975 force main.

During the utility mark-out phase of construction, it was discovered that there was an AT&T communication line that was not shown on the original contract drawings, which appeared to be indirect conflict with the planned temporary force main pipeline. There was also a question raised about the orientation and depth of the buried high density polyethylene pipe (HDPE) tee constructed during the Buena Vista Force Main Replacement project that would eventually become the point of connection for the new Buena Vista Lift Station force main.

## **ANALYSIS**

Change Order 1 (Exhibit A) includes additional work requested by the City to pothole the existing AT&T communication line and the buried HDPE tee to secure the exact orientation and grade of these existing utilities. It also includes additional work requested by the City to install fittings and a plug valve to the buried HDPE tee to insure

that the future connection of the new Buena Vista Lift Station can be connected with as little shut-down time and as safely as possible after the new lift station is constructed.

### **FISCAL IMPACT**

The Buena Vista Force Main Replacement project has \$75,377.89 available as a FY 2008-2009 carry-forward. \$75,000 was appropriated from the Buena Vista Lift Station fund (726.865474.5701) to complete the project for a total project budget of \$150,377.89. The Don Hubbard Contracting Company contract is for \$122,090 and Change Order 1 is for \$23,350 for a total project cost of \$145,440. Therefore, adequate funding is available for this item.

### **COMMISSION OR COMMITTEE REPORT**

Does not apply.

### **CITY ATTORNEY'S ANALYSIS**

The referenced documents are being reviewed by the City Attorney's office.

### **RECOMMENDATIONS**

Staff recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve Change Order 1 in an amount not to exceed \$23,350 to Don Hubbard Contracting Company of San Marcos for the Buena Vista Force Main Temporary Lift Station Connection project for additional work requested by the City; and authorize the City Engineer to execute the change order.

PREPARED BY:

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Greg Blakely  
Administration Manager

Exhibit A – Change Order 1

## STAFF REPORT

DATE: May 11, 2009

TO: Water/Sewer Committee

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **RECOMMEND APPROVAL OF AMENDMENT 1 IN THE AMOUNT OF \$180,834 TO THE PROFESSIONAL SERVICES AGREEMENT WITH INFRASTRUCTURE ENGINEERING CORPORATION FOR ADDITIONAL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE LAND OUTFALL EMERGENCY REPLACEMENT PROJECT; AND APPROVE A BUDGET APPROPRIATION OF \$180,834 FROM THE AVAILABLE BALANCE IN THE WASTEWATER EXPANSION PROJECT FUND**

### **SYNOPSIS**

Staff recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve Amendment 1 in an amount not to exceed \$180,834 to the professional services agreement with Infrastructure Engineering Corporation of Oceanside for additional construction management and inspection services for the Land Outfall Emergency Replacement project located along Oceanside Boulevard; approve a budget appropriation of \$180,834 from the available balance in the Wastewater Expansion Project fund; and authorize the City Manager to execute the amendment (Exhibit A).

### **BACKGROUND**

Infrastructure Engineering's construction management and inspection duties are to ensure that the project is constructed according to the plans and specifications. These duties include day-to-day monitoring and inspection of the work; surveying; special inspections as required; preparation of daily, weekly and monthly reports; processing of proposed change orders; processing submittals and requests for information; maintenance of logs for all correspondence, submittals, requests for information and change orders; attending weekly and monthly progress meetings; and generating and submitting detailed as-built construction drawings.

### **ANALYSIS**

The contractor has fallen behind schedule and will exceed the project deadline by approximately three months. Additional construction management and inspection services beyond the original scope are required to facilitate the completion of this project. In addition to the construction services, CM services will be required to finalize all the Change Orders and Disputes once the field work is complete. A portion of this

increase is for overtime inspection required by the contractor; these costs will be deducted from payments due the contractor. The Contractor is also subject to Liquidated Damages for exceeding the Contract Completion date. The following is a breakdown of the costs:

Total Increase to PSA for CM and Inspection	\$180,834
Overtime inspection deducted from Contractor	(\$42,120)
Liquidated Damages Assessed to Contractor	<u>(\$120,000)</u>
Net Cost to City for increase to PSA	\$ 18,714

### **FISCAL IMPACT**

Funds in the amount \$180,834 for Amendment 1 will be appropriated from the available balance in the Sewer Expansion Improvement fund (726.3351) and transferred to the Land Outfall capital improvement project budget (726.865488.5241)

### **CITY ATTORNEY'S ANALYSIS**

The referenced documents are being reviewed by the City Attorney's office.

### **INSURANCE REQUIREMENTS**

The City's standard insurance requirements will be met.

### **COMMISSION OR COMMITTEE REPORT**

Does not apply.

### **RECOMMENDATIONS**

Staff and the Utilities Commission recommend that the City Council approve Amendment 1 in an amount not to exceed \$180,834 to the professional services agreement with Infrastructure Engineering Corporation of Oceanside for additional construction management and inspection services for the Land Outfall Emergency Replacement project located along Oceanside Boulevard; approve a budget appropriation of \$180,834 from the available balance in the Wastewater Expansion Project fund; and authorize the City Manager to execute the amendment (Exhibit A).

PREPARED BY:

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Greg Blakely  
Administration Manager

Exhibit A – Amendment 1  
Exhibit B - Proposal

## **STAFF REPORT**

DATE: May 11, 2009

TO: Water/Sewer Committee

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **APPROVAL OF A BUDGET APPROPRIATION FROM THE SAN DIEGO COUNTY WATER AUTHORITY LOCAL INVESTIGATIONS AND STUDIES ASSISTANCE PROGRAM FOR THE OCEANSIDE SEAWATER DESALINATION PILOT STUDY AND FEASIBILITY STUDY**

### **SYNOPSIS**

Staff recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve a budget appropriation in the amount of \$500,000 from the San Diego County Water Authority Local Investigations and Studies Assistance Program for the Oceanside Seawater Desalination Pilot Study and Feasibility Study, and authorize the City Manager to execute the agreement.

### **BACKGROUND**

The Integrated Water Utilities Master Plan identified seawater desalination as one of the major alternatives for meeting future potable water demands. To determine if seawater desalination is a viable project, a professional services agreement in the amount of \$1,231,000 was approved by the City Council on March 14, 2007, for Tetra Tech, Inc. to install a pilot desalination facility and conduct a feasibility study.

In January 2007, the San Diego County Water Authority (Water Authority) established the Local Investigations and Studies Assistance Program (LISA) for the purpose of facilitating local agency studies and investigations of new local water supply opportunities. The intent of the LISA program is to encourage, through project funding, local brackish groundwater, seawater desalination, recycled water and conjunctive-use studies and investigations that could lead to local water supply projects that provide new annual supplies or increased dry-year supplies. Staff applied for a LISA grant in August 2008. The Water Authority awarded \$500,000 in LISA grant funds to the City on December 18, 2008 for the Seawater Desalination Pilot and Feasibility Study.

### **ANALYSIS**

The Oceanside Seawater Desalination Pilot and Feasibility Study project includes the construction of a boring and monitoring well, a pilot production well and treatment facilities, the completion of a pipeline alignment study, and project feasibility report. The pilot wells are located in the Oceanside Harbor's east parking lot. The pipeline study

will determine the most appropriate alignment from the pilot wells location to the existing Mission Basin Desalting Facility where the seawater will be treated and become an additional source of potable water if the project proves to be feasible.

The LISA program funding awarded by the Water Authority is a matching, reimbursable grant. Expenditures are eligible for reimbursement for work performed after December 18, 2008. Eligible expenditures include third party and specialized in-kind costs. The City's expenditures for the work performed by Tetra Tech are eligible for reimbursement. Since December 18, the City has paid \$286,935 to Tetra Tech. The total expenditures since the project began are \$760,666 with \$470,333 remaining of the authorized amount of \$1,231,000.

### **FISCAL IMPACT**

Staff requests approval to accept \$500,000 from the San Diego County Water Authority Local Investigations and Studies Assistance Program and appropriate said funds to the City of Oceanside Seawater Desalination project (715.858247.5241) to reimburse expenditures after December 18, 2008.

### **COMMISSION OR COMMITTEE REPORT**

Does not apply.

### **CITY ATTORNEY'S ANALYSIS**

The referenced documents are being reviewed by the City Attorney's office.

### **RECOMMENDATIONS**

Staff recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve a budget appropriation in the amount of \$500,000 from the San Diego County Water Authority Local Investigations and Studies Assistance Program for the Oceanside Seawater Desalination Pilot Study and Feasibility Study, and authorize the City Manager to execute the agreement.

PREPARED BY:

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Greg Blakely  
Administration Manager