

STAFF REPORT

DATE: May 20, 2008

TO: Utilities Commission

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **APPROVAL OF CLOSING CHANGE ORDER 2 AND ACCEPTANCE OF IMPROVEMENTS CONSTRUCTED BY J.R. FILANC CONSTRUCTION, INC., OF ESCONDIDO FOR THE WELL # 9 – PHASE 2 MECHANICAL IMPROVEMENTS PROJECT**

SYNOPSIS

Staff recommends that the Utilities Commission recommend that the City Council approve closing Change Order 2 in the amount of \$(23,578) and accept the improvements constructed by J.R. Filanc Construction, Inc., of Escondido for the Well # 9 – Phase 2 Mechanical Improvements project, and authorize the City Clerk to file a Notice of Completion with the San Diego County Recorder.

BACKGROUND

The Mission Basin Groundwater Purification Facility (RO Plant), located at 215 Fireside Drive was originally constructed and put into operation in 1994. The original facility produced 2.2 million gallons per day (mgd) of brackish groundwater by use of a reverse osmosis treatment process. A subsequent expansion project was to bring the capacity of the plant up to 6.37 mgd. This expansion project, accepted by City Council in February 2003, consisted of three additional production wells, nine monitoring wells, a high and low pump station, an additional reverse osmosis train and other infrastructure-related work. All work was satisfactorily completed except for the production wells which, when drilled, did not produce sufficient quantities of water.

In October 1998, City Council authorized a joint participation agreement between the City of Oceanside, San Diego County Water Authority (SDCWA) and the Metropolitan Water District (MWD) for participation in the Groundwater Recovery Program (GRP). As part of the GRP study, SDCWA has drilled eleven exploratory wells to map the Basin for possible future use. As part of the drilling project, Oceanside had the SDCWA analyze up to five sites with an emphasis on three to replace the poorly performing well sites 6, 7 and 8. Three of the sites are within a mile of the Mission Basin Groundwater Facility with one, Well 9, being on the plant site. Well 9 was drilled by the SDCWA and during the test pumping produced up to 2,220 gallons per minute which is sufficient for delivery to the desalting facility.

On March 14, 2007, City Council awarded a construction contract for the Well # 9 - Phase 2 Mechanical Improvements project to J.R. Filanc Construction, Inc., of Escondido, California in the amount of \$228,135.

ANALYSIS

Change Order 1 included City requested changes to the exterior fence surrounding the new well site and additional work required to extent the existing well casing to the appropriate elevation. Change Order 1 was in the amount of \$3,153.22 and approved by the City Engineer on July 9, 2007.

Closing Change Order 2 (Exhibit A) includes the final contract adjustment in unit quantities installed and a time extension for the manufacturer of special electrical components required for the connection to the existing electrical switchgear at the RO Plant. The Closing Change Order 2 resulted in a contract decrease of \$(23,578.00).

A final inspection has been performed and it was determined that the project was complete per the plans and specifications.

FISCAL IMPACT

The Mesa/Garrison 42-inch Gravity Sewer project (726.865666) has an approximate balance of \$1,634,475. The engineer's estimate for total project construction is \$1,456,070. Therefore, adequate funds are available for the project.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents are being reviewed by the City Attorney.

RECOMMENDATIONS

Staff recommends that the Utilities Commission recommend that the City Council approve closing Change Order 2 in the amount of \$(23,578) and accept the improvements constructed by J.R. Filanc Construction, Inc., of Escondido for the Well # 9 – Phase 2 Mechanical Improvements project, and authorize the City Clerk to file a Notice of Completion with the San Diego County Recorder.

PREPARED BY:

Greg Blakely
Administration Manager

Exhibit A – Closing Change Order 2

STAFF REPORT

DATE: May 20, 2008

TO: Utilities Commission

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **RECOMMEND APPROVAL OF CHANGE ORDER 3 IN THE AMOUNT OF \$85,074.44 TO ORION CONSTRUCTION CORPORATION FOR ADDITIONAL CONSTRUCTION ITEMS FOR THE LOMA ALTA CREEK ULTRA-VIOLET TREATMENT FACILITY PROJECT, AND AUTHORIZATION FOR THE CITY ENGINEER TO EXECUTE THE CHANGE ORDER**

SYNOPSIS

Staff recommends that the Utilities Commission recommend that the City Council approve Change Order 3 in the amount of \$85,074.44 to Orion Construction Corporation of Vista for additional construction items for the Loma Alta Creek Ultra-Violet Treatment Facility project, and authorization for the City Engineer to execute the Change Order.

BACKGROUND

The Loma Alta Lagoon and Buccaneer Beach, located in the City of Oceanside, have a history of high bacteria levels. Since 1992, the Water Utilities Department has pumped the dry-weather flows from the Loma Alta Lagoon directly into the wastewater ocean outfall. This practice allowed Buccaneer Beach to remain open and free from postings during popular summer months. Due to insufficient capacity in the outfall, an alternative to the diversion was necessary. This Ultra-Violet Facility at the Loma Alta Creek project (UV Facility) allows the flows to be discharged directly into the ocean after treatment and frees up outfall capacity for wastewater.

On January 16, 2006, Council adopted a resolution authorizing entering into an agreement with the State of California for a Proposition 40 Clean Beaches Initiative grant for the UV Facility. The amount of the grant is \$5,000,000.

On June 20, 2007, Council awarded a construction contract in the amount of \$3,662,949.35 to Orion Construction Corporation of Vista.

ANALYSIS

Change Order 3 (Exhibit A) consists of adding a phone line, control panel, valve operator extensions, pipe supports, pipe barricades, handrail exit lights, electrical power to two air dryers and moisture relays. The total cost of Change Order 3 is \$85,074.44.

Change Order 2 consisted of a revision to test pile and the addition of a test pile. The total cost of Change Order 2 was \$9,950.27.

Change Order 1 consisted of revisions to the endwall structure, increase in length of the MultiDisc fine Screen machine, removal of excess soil from excavation, waterproofing the treatment facility wall, additional labor, equipment and time for adding 5 piles, increase in pile length, adding a manhole and additional work for electrical and SCADA system. The total cost of Change Order 1 was \$5,861.33.

FISCAL IMPACT

There is an adopted budget of \$5,000,000 (711.667112) for the Loma Alta Lagoon Ultraviolet Treatment Facility Grant Project. The construction contract is \$3,662,949.35 plus Change Orders 1, 2 and 3 for a total construction cost of \$3,763,835.39. There are available funds for these purchases.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The documents are being reviewed by the City Attorney.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

RECOMMENDATION

Staff recommends that the Utilities Commission recommend that the City Council approve Change Order 3 in the amount of \$85,074.44 to Orion Construction Corporation of Vista for additional construction items for the Loma Alta Creek Ultraviolet Treatment Facility project, and authorization for the City Engineer to execute the Change Order.

PREPARED BY:

Greg Blakely
Administration Manager
REVIEWED BY:

Exhibit A – Change Order 3