

STAFF REPORT

DATE: September 16, 2008

TO: Utilities Commission

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **RECOMMEND APPROVAL OF CLOSING CHANGE ORDER 4 AND ACCEPTANCE OF IMPROVEMENTS CONSTRUCTED BY ORION CONSTRUCTION CORPORATION FOR THE LOMA ALTA CREEK ULTRA-VIOLET TREATMENT FACILITY PROJECT**

SYNOPSIS

Staff and the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve closing Change Order 4 in the amount of \$37,146.29 to the agreement with Orion Construction Corporation of Vista, for the Loma Alta Creek Ultra-Violet Treatment Facility project for some unanticipated work, and construction credits for reduced quantities of work; authorize the city Engineer to execute the change order; accept the improvements constructed by Orion Construction Corporation, and authorize the City Clerk to file a Notice of Completion with the San Diego County Recorder.

BACKGROUND

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 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, adding a manhole, and additional work for electrical and SCADA system. The total cost of Change Order 1 was \$5,861.33.

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 3 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.

Closing Change Order 4 (Exhibit A) included unanticipated work to add a containment pallet and piping to deliver citric acid to the UV reactor wipers, a 10-inch ductile iron tee and gate valve, a current relay and elapsed time meter for the fine screen control panel, electrical work, and installation of conduit, and construction credits for a reduction in pile length, number of piles and an increase in the number of pile load test. The total cost of Change Order 4 is \$37,146.29.

FISCAL IMPACT

There is an adopted budget of \$5,000,000 (711.667112) for the Loma Alta Lagoon Ultra-Violet Treatment Facility Project. The construction contract is \$3,662,949.35 plus the four Change Orders totaling \$138,032.33 for a total construction cost of \$3,800,981.68. The cost of the closing Change Order 4 is \$37,146.29; there are available funds for this change order.

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

COMMISSION OR COMMITTEE REPORT

The Water/Sewer Committee approved staff's recommendation at its regularly scheduled meeting on September 9, 2008.

CITY ATTORNEY'S ANALYSIS

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

INSURANCE REQUIREMENTS

The City's standard insurance requirements have been met.

RECOMMENDATION

Staff and recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve closing Change Order 4 in the amount of \$37,146.29 to the agreement with Orion Construction Corporation of Vista, for the Loma Alta Creek Ultra-Violet Treatment Facility project for some unanticipated work, and construction credits for reduced quantities of work; authorize the city Engineer to execute the change order; accept the improvements constructed by Orion Construction Corporation, 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 – Change Order No. 4

STAFF REPORT

DATE: September 16, 2008

TO: Utilities Commission

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **RECOMMEND AUTHORIZATION TO AWARD A CONTRACT IN THE AMOUNT OF \$1,347,507 TO BRH-GARVER WEST, INC. OF SAN DIEGO FOR THE CONSTRUCTION OF THE MESA-GARRISON SEWER FORCE MAIN PROJECT AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH J.T. KRUER & COMPANY IN THE AMOUNT OF \$169,465 FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES DURING CONSTRUCTION**

SYNOPSIS

Staff and the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council authorize the award of a contract in the amount of \$1,347,507 to BRH-Garver West, Inc. of San Diego for the construction of the Mesa-Garrison Sewer Force Main; approve a professional services agreement with J.T. Kruer & Company of Oceanside in the amount of \$169,465 for construction management and inspection services during construction, and authorize the City Manager to execute the agreements upon receipt of all supporting documents.

BACKGROUND

Sewage flows from Mesa Drive and Oceanside Boulevard east of El Camino Real combine with flows from the Buena Vista Lift Station (BVLS) to form what is called the Mesa/Garrison Area Sewer System in the Wastewater Master Plan. The 24-inch gravity sewer main that handles the flows is above capacity during wet-weather flows and experiences chronic surcharging in a shallow manhole at the Mesa/Garrison intersection.

One method of eliminating the surcharging of the 24-inch gravity sewer main was to remove the BVLS flow. Tetra Tech, Inc. of Oceanside designed a new force main that connects the Buena Vista Force Main (BVFM) in the El Camino Real/Oceanside Boulevard intersection to a 42-inch fiberglass reinforced pipe (Hobas pipe) in the Mesa Drive/Garrison Street intersection (Exhibit A). When the new force main is constructed the BVLS flow will be diverted from the 24-inch gravity sewer to the 42-inch Hobas pipe which will eliminate the surcharging in the shallow manhole at the Mesa/Garrison intersection.

The project consists of installing approximately 2,632 linear feet of force main via the conventional open trench method of construction and installing 44 linear feet of force main inside of a 48-inch steel sleeve by the bore-and-jack method of construction under two 72-inch storm drain pipes just south of Mesa Drive in El Camino Real. The connections to the BVFM in the Oceanside Boulevard/El Camino Real intersection and to the 42-inch Hobas pipe in the Mesa/Garrison intersection will also be constructed.

On June 18, 2008 the City Council approved the plans and specification for the construction of the Mesa-Garrison Sewer Force Main project; and authorized the City Engineer to call for bids.

ANALYSIS

On July 29, 2008, nine bids were received and opened for the Mesa-Garrison Sewer Force Main project (Exhibit B). The apparent low bidder is BRH-Garver West, Inc. of San Diego with a bid of \$1,347,507. Staff has reviewed the bid submitted by BRH-Garver West, Inc. and finds that the bid bond and references are in accordance with City standards. The engineer's estimate to construct the project was \$1,456,070.

To properly manage this project during construction, the services of a professional construction management and inspection support team are required. On June 23, 2008, staff solicited proposals from thirteen engineering firms (Exhibit C) to provide construction management and inspection services during construction of this project. The firms were selected from a list compiled by the City of Oceanside's Engineering Department using the City's selection procedures for professional services. Included in the solicitation were all Oceanside firms that provide these services.

On July 22, 2008, five proposals were received by the Water Utilities Department. In accordance with the City's procedure, a panel was selected to evaluate the proposals. The panel unanimously recommended that J.T. Krueer & Company of Oceanside be selected to provide the construction management and inspection services. The J.T. Krueer & Company team includes Right-of-Way Engineering of Oceanside as a sub-consultant.

J.T. Krueer & Company construction management and inspection duties will be to ensure that the project is constructed according to the plans and specifications, on time and under budget. Additional duties to be performed include day to day monitoring and inspection of the work; geotechnical engineering and inspection services; 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.

FISCAL IMPACT

The Mesa/Garrison 42-inch Gravity Sewer project (726.865666) has an approximate balance of \$1,634,475. BRH-Garver West, Inc. bid was \$1,347,507 and J.T. Kruer & Company's proposal is \$169,465 for the construction management and inspection services, which brings the total cost for construction and construction management and inspection to \$1,516,972. Therefore, adequate funds are available for the project.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

CITY ATTORNEY'S ANALYSIS

The referenced documents are being reviewed by the City Attorney.

COMMISSION OR COMMITTEE REPORT

The Water/Sewer Committee approved staff's recommendation at its regularly scheduled meeting on September 9, 2008.

RECOMMENDATIONS

Staff and the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council authorize the award of a contract in the amount of \$1,347,507 to BRH-Garver West, Inc. of San Diego for the construction of the Mesa-Garrison Sewer Force Main; approve a professional services agreement in the amount of \$169,465 with J.T. Kruer & Company of Oceanside for construction management and inspection services during construction, and authorize the City Manager to execute the agreements upon receipt of all supporting documents.

PREPARED BY:

Greg Blakely
Administration Manager

Exhibit A – Location Map
Exhibit B – Bid Results
Exhibit C – Consultant Mailing List

STAFF REPORT

DATE: September 16, 2008

TO: Utilities Commission

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **RECOMMEND APPROVAL OF AN AMENDMENT TO THE STATEMENT OF UNDERSTANDING AND UTILITIES CONTRACT BETWEEN THE CITY OF OCEANSIDE AND CAMP PENDLETON FOR INTERIM CAPACITY IN THE CITY OF OCEANSIDE OCEAN OUTFALL**

SYNOPSIS

Staff and the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve an amendment to the Statement of Understanding between Camp Pendleton and the City of Oceanside for interim capacity in the City of Oceanside's ocean outfall for a three year extension plus two one-year options commencing on November 1, 2008, through October 31, 2011, at which time the option years may be requested by Camp Pendleton, and authorize the City Manager to execute the agreement.

BACKGROUND

On December 15, 1999, the City Council approved a statement of understanding and utilities contract with Camp Pendleton for interim capacity in the City of Oceanside's ocean outfall. The statement of understanding and utilities contract provide for the conveyance of up to 3.6 million gallons per day (GPD) of secondary treated wastewater from five existing Camp Pendleton wastewater treatment plants. A May 9, 2000, revision extended the term of the contract to November 2008. Camp Pendleton sent a letter to the City on October 28, 2005, giving notice of their intent to exercise the three option years.

ANALYSIS

A statement of understanding and utilities contract was developed by Camp Pendleton and City staff which delineated the terms and conditions for Camp Pendleton to access the City's ocean outfall until its tertiary treatment plant is constructed. A revision was made on May 9, 2000, extending the term of the contract to November 2008, including the three one-year extensions. Camp Pendleton is requesting to extend the term of the current statement of understanding by a base period of three years plus two one-year options.

Camp Pendleton constructed 2.2 miles of effluent pipeline in Oceanside that connects with the Oceanside ocean outfall line. Camp Pendleton was responsible for all expenditures associated with design and construction of the pipeline. Additionally, Camp Pendleton was responsible for all costs incurred by the City in providing construction inspection within the City limits. Camp Pendleton began discharging in the ocean outfall in September 2003.

Camp Pendleton will pay a sewer capacity charge of \$126,940 per year for each of three additional base years with two one-year options. Camp Pendleton will also pay \$65,000 per year for the three additional base years with two one-year options for all costs associated with the transporting of treated effluent through the City-owned pipeline. This charge offsets the annual impact of the pipeline on the public right-of-way within the City limits. Funds will accrue to the sewer fund.

FISCAL IMPACT

Camp Pendleton's cost share for operations and maintenance since the pipeline went into service in 2003 has been approximately \$10,000 per year. The funds being paid by Camp Pendleton to the City will pay for future expenditures that will become necessary as the pipeline ages.

COMMISSION OR COMMITTEE REPORT

The Water/Sewer Committee approved staff's recommendation at its regularly scheduled meeting on September 9, 2008.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATIONS

Staff and the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve an amendment to the Statement of Understanding between Camp Pendleton and the City of Oceanside for interim capacity in the City of Oceanside's ocean outfall for a three year extension plus two one-year options commencing on November 1, 2008, through October 31, 2011, at which time the option years may be requested by Camp Pendleton, and authorize the City Manager to execute the agreement.

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Administrative Manager