



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 24, 2015

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Contract Amendment For Construction Management And Inspection Services For The Gibraltar Conduit Hydroelectric Plant

### **RECOMMENDATION:**

That Council authorize an amendment to Contract No. 24,715 with Rockwell Construction Services, LLC, in an amount of \$10,960 for additional construction management and inspection services for recommissioning the Gibraltar Conduit Hydroelectric Plant, raising the overall contract amount to \$55,178.

### **DISCUSSION:**

#### **BACKGROUND**

The City owns the Gibraltar Conduit Hydroelectric Plant (Plant), located at 1445 San Roque Road, which receives water from Gibraltar Reservoir via Mission Tunnel. In 1985, the Plant was regulated by the Federal Energy Regulatory Commission (FERC) and produced electrical power which was sold to Southern California Edison (SCE). The Plant was idled in 1998, when it was determined that the project operation and maintenance costs, along with regulatory burdens, exceeded revenues from power sales.

On July 2, 2013, Council approved the purchase of the one-acre parcel of land beneath the Plant from the federal government. The ownership and possession of the land enabled the City to obtain an exemption from a FERC license and resume the sale of hydroelectric power to SCE.

On February 11, 2014, Council approved a contract to SOAR Technologies, Inc. (SOAR), in the total amount of \$605,082, including extra services, to renovate the Plant and operate and maintain it for one year. Additionally, Council approved a professional services contract in the amount of \$38,450 to Rockwell Construction Services, LLC,

(RCS) to provide construction management and inspection services and authorized \$5,768 to cover unanticipated extra services.

**CURRENT STATUS**

The Plant renovation by SOAR is nearing completion and is within budget. However, the original contract time of nine months had to be extended by an additional four months due to circumstances beyond the contractor's control, including a slowdown at the Port of Long Beach, a Verizon telemetry delay, extra services for replacing the water valves and weir, construction of a bulkhead in Mission Tunnel, and certification of the Plant by the California Energy Commission. The additional project time has required additional construction management and inspection services by RCS, which has exceeded the authorized extra services amount. Staff has received an acceptable request from RCS for an additional \$10,960 for extra services. The request would increase the total RCS contract amount from \$44,218 to \$55,178, which represents 9.1 percent of the \$605,082 construction contract.

**CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES  
 CONTRACT FUNDING SUMMARY**

	<b>Base Contract</b>	<b>Extra Services</b>	<b>Total</b>
Initial Contract Amount	\$38,450	\$5,768	\$44,218
Proposed Increase	\$0	\$10,960	\$10,960
<b>Total</b>	<b>\$38,450</b>	<b>\$16,728</b>	<b>\$55,178</b>

There are sufficient appropriated funds in the Water Fund to cover all remaining project costs. At its meeting of March 9, 2015, the Board of Water Commissioners voted 5-0-0 to concur with the staff recommendation.

**PREPARED BY:** Catherine Taylor/RLR/mh

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

**APPROVED BY:** City Administrator's Office