



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 12, 2016

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Increase In Construction Change Order Authority For The Charles E. Meyer Desalination Facility

RECOMMENDATION: That Council

- A. Authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra work for the contract for the Charles E. Meyer Desalination Facility with IDE Americas, Inc., Contract No. 25,221, in the amount of \$2,300,000, for a total Project expenditure authority of \$47,601,654;
- B. Authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra services for the contract for Owner Support Services for the Charles E. Meyer Desalination Facility with Carollo Engineers, Inc., Contract No. 25,222, in the amount of \$62,898, for a total Project expenditure authority of \$2,298,782; and
- C. Authorize the Public Works Director to amend and increase a City Professional Services Contract, subject to approval as to form by the City Attorney, with Patrick Tumamait, Contract No. 21600039, in an amount of \$35,100, for a total Project expenditure authority of \$70,000.

DISCUSSION:

Background

The City's 2011 Long Term Water Supply Plan (LTWSP) included the Charles E. Meyer Desalination Plant (Desal Plant), which was completed in March 1992, and put into long-term standby mode in 1997. The Desal Plant was included in the plan as a recognized drought water supply. The City is currently experiencing a drought condition that is drier than the historic drought of record, which was used as the drought planning basis of the LTWSP. As a result of continued dry conditions, Council approved an Ordinance that became effective on August 28, 2015, awarding a contract with IDE Americas, Inc. (IDE), to reactivate the Desal Plant. The reactivation will ensure that the community continues to have sufficient uninterrupted drinking water supplies should drought conditions continue beyond 2016.

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Current Status

On-site construction for the reactivation of the Desal Plant started in September, 2015. On November 3, 2015, IDE notified the City that suspicious soils were encountered and construction work was halted. Preliminary testing of six locations showed soil contaminated with primarily lead associated with rubble and debris and some diesel, both from an unknown source.

The soils report for the original plant indicated that debris was found in the soils at the site and that it was replaced with clean soils under the structures. Because of this, no further soils testing was conducted before the start of the project. The contamination that was discovered on November 3, 2015, is consistent with the old soils report indicating debris. It therefore appears that the soils were not cleaned as indicated in the post construction soils report for the original project.

Staff, with assistance from IDE, completed a soils assessment and remediation plan that was approved by County Environmental Health Services. An Air Pollution Control District permit was received on December 8, 2015. Currently, the estimates call for the removal of approximately 5,800 cubic yards of material. This work started on December 14, 2015.

With the review of the baseline schedule, the excavation for electrical, and piping works, as well as the building of foundations for the reverse osmosis skids, was a critical path. Delays associated with the cleanup of contaminated soils has delayed the receipt of the skids and will have an impact on the completion date for the project. Staff is assessing whether to accelerate portions of the schedule so the completion date of October 7, 2016 will not be affected. The change order increase requested includes an estimate of costs for the contractor related to schedule impacts and to accelerate construction to meet the original construction completion date. .

The increase in Carollo's contract of \$62,898 reflects an extra five weeks for on-site management and inspection. This coincides with the extra time that the contractor may be delayed by the contaminated soils cleanup permitting. If the project is accelerated or if there is less of a delay impact, these funds will not be used.

The increase in the contract for Patrick Tumamait of \$35,100 reflects a reconciliation of the time needed for a cultural monitor on site based on the actual schedule provided by the contractor. Cultural monitoring is a State Revolving Fund Loan condition. Staff had executed a professional services contract with Patrick Tumamait in the amount of \$34,900 prior to receiving a schedule from the contractor. This allowed services to begin without delay when the contractor started demolition.

There is the potential that other issues may occur during excavation and that staff may need to return to Council in the future for additional monies.

BUDGET/FINANCIAL INFORMATION:
Funding

The following summarizes the additional expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Base Contract	Change Order	Proposed Increase	Total
IDE	\$43,437,234	\$1,864,420	\$2,300,000	\$47,601,654
Carollo	\$2,032,622	\$203,262	\$62,898	\$2,298,782
Patrick Tumamait	34,500	\$400	\$35,100	\$70,000

It is anticipated that savings in other areas of the Project will allow for sufficient funds in the State Water Revolving Loan Fund to cover these extra work items.

PREPARED BY: Desi Alvarez, Interim City Engineer/LS/kts

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office