



AGENDA SUMMARY REPORT

SUBJECT: Approve Contract Amendment Eight with Carollo Engineers for the Design Efforts of the Recycled Water Phase 4 Project in the amount of \$4,600,773 and approval of corresponding budget amendment.

DEPARTMENT: Public Works

PREPARED BY: Jason Benson, Senior Civil Engineer

Tim Eriksen, Director of Public Works/City

PRESENTER: Engineer

ATTACHMENTS:

1. Recycled Water Ph4 CO2 WWTP_12JAN2022

Summary: The City Council will consider giving approval of a contract amendment with Carollo Engineers for the design efforts of the Recycled Water Phase 4 project in the amount of \$4,600,773 and approval of corresponding budget amendment.

Background: The City Council approved contract amendments and the budget required for Carollo Engineers to continue with Recycled Water Phase 4 Design on November 7, 2018. The items issued in the Scope of Work to perform are Tasks 1-9: Project Management, Funding, Preliminary Design, Permitting and Easement, Field Investigation Services and Hydraulics, Bid Support, Engineering Services during Construction (ESDC), and Construction Management. This work is to be completed with the issued budget of \$2,627,484.75.

Two amendments, numbers 5 and 6, have been issued to the Carollo Contract 1314-231 for Phase 4 design work. Amendment 5 for Tasks 1-3: Project Management, Funding, Preliminary Design; and, Amendment 6 for Task 5: Field Investigation Services and Hydraulics. These amendments were approved 1/16/2019 and 5/3/2019, respectively. The four prior amendments approved for this contract work were for: additional geotechnical and environmental work, Recycled Water Phase 3 design, Chlorine Contact Basin (CCB) design, and additional CCB and Recycled Water Phase 3 design.

Amendment 7 was issued to the Carollo Contract 1314-231 for Phase 4 design work under Tasks 1-6: Project Management, Funding, Preliminary Design, Permitting and Easement, Field Investigation Services and Hydraulics, and Final Design. Amendment 7 was approved by City Council on 9/16/2020.

The 30% Design drawings and the Preliminary Design Report (PDR) were completed and submitted to the City in August 2019. This information was used by Carollo to submit an application for the State Revolving Fund (SRF) funding and coordination with the State.

The 60% Design drawings were completed and submitted to the City, and the City reviewed and provided comment in September 2021. The 90% Design drawings were completed and submitted to the City, and the City reviewed and provided comment in January 2022. During project design meetings between City Staff and Carollo Engineers, it was tentatively agreed to have the design complete, shovel ready, and ready for the bidding process, pending project funding sources, in Spring 2022.

Discussion: City Staff met with Carollo Engineers and California State Water Resources Control Board (CSWRCB) Staff in early November 2021. The topic of this meeting was to discuss the potential for a Prop. 68

and Infrastructure Grant to fully pay for the overall construction of the project, and would equate to approximately \$25M. This would include design cost to date expended by the City, and may include City Staff cost during construction. The City directed Carollo Engineers to provide a change order for all scope changes and future engineering efforts (Attachment 1), per CSWRCB discussion. Carollo Engineers has worked diligently to provide the scope changes. The City is only engaging in the changes that will be covered by the new grant.

On the water side of the Wastewater Treatment Plan (WWTP) process, recycled water is the final product from the Advanced Waste Treatment (AWT) and the Chlorine Contact Basin (CCB). Once treated water leaves the CCB, water is discharged to the Recycled Water ponds south of the WWTP. In order to have sufficient recycled water supply for all customers, an additional storage facility for secondary water is needed at the WWTP. The current process at the WWTP requires a lag time between process equipment to operate efficiently, and will remove using the percolation ponds for temporary storage. This will eliminate water loss to the environment and remove extra work time and cost by the WWTP crew to operate and maintain equipment. A new pond and pump station will provide storage of the secondary water before entering the process into the AWTs.

The overall recycled water pipeline layout, the associated tank and pump station located at the Water Treatment Plant (WTP), and the appurtenances of it does not require design revisions since the last submittal of deliverables (December 2021).

Carollo Engineers has prepared a revised Scope of Work and the necessary actions to perform Task 1-9. This includes a cost Change Order for the additional work for Task 1-6 and to include Task 7-9. The added cost is for a revision to the project design and the documents associated with this process (Task 1-6), and will incorporate the design changes for a new pond and pump station at the WWTP. Other added cost is for Task 7-9: Bid Support, Engineering Services during Construction (ESDC), Construction Management. Task 7-9 will be initiated through Task Orders to Carollo and approved for cost expenditure only when the project construction phases begin. Carollo Engineers has prepared a contract change order for a revised budget for the remaining and modified Tasks for the revised total contract budget of \$6,471,103 (Attachment 1) for Phase 4. Carollo Engineers has prepared a contract change order for a revised budget for the remaining and modified Tasks to be completed at \$4,600,773 (Attachment 1). This will increase the total contract value for all Recycled Water project work performed by Carollo Engineers (Phases 1-4 and CCB) to \$10,644,367.

City Staff has discussed the grant options and procedures for applications with CSWRCB and Carollo Engineers. In order to get through the grant application and finalization process, Carollo Engineers will have to perform administrative and engineering design work before the CSWRCB provides the City with a definitive answer of the grant award to the City for construction and design cost of Phase 4. This will include geotechnical work, materials testing, site survey, production of design drawings, Engineer's Estimate for construction, and the preliminary report of findings. The estimated cost to the City for Carollo to get through the grant process is approximately fifty percent of the proposed amount for Task 1-6 in the amount of \$864,433. This will include preliminary design of the WWTP pond and pump station upgrades, and if the grant is not approved, this design will already be in place for needed operational and critical plant updates. If the grant *is* approved, these costs will likely be eligible for reimbursement. Past and future amendments provide a Task Order to Carollo Engineers which only allows them to proceed with the scope of work when authorized by the City. To date, through Amendment 7 (dated September 4, 2020), Carollo Engineers is completing work described under Task 1-6. If the grant is not awarded or the City does not wish to continue work with Carollo Engineers for Task 7-9, Amendments for this work will not be executed by the City.

Recommended Action: Approve contract amendment eight with Carollo Engineers for the design efforts of the Recycled Water Phase 4 project in the amount of \$4,600,773 and approval of corresponding budget amendment. .

BUDGET AMENDMENT REQUIRED: Yes

CURRENT BUDGET AMOUNT: 83027330.80230.18052: \$0

PROPOSED BUDGET AMOUNT: 83027330.80230.18052: \$4,600,773

FINANCING SOURCE: Water Fund - 82000000.30007

PREVIOUS CONTRACT/PURCHASE ORDER NO.: Carollo Engineers - COU No. 1314-231

COORDINATED WITH: Tim Eriksen, Director of Public Works/City Engineer

Approved: 
Sage Sangiacomo, City Manager