



## Legislation Text

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**File #:** 15-409, **Version:** 1

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Staff Report for a Resolution to Increase the Change Order Cap from 25% to 40%, Which Would Result in an Additional Increase of \$28,658.00 for a Total Increase to the Original Agreement of \$52,319.00 for a Total not to Exceed Amount of \$183,118.00 in the Agreement and Authorizing the City Manager to Execute Amendment No. 1 with Carollo Engineers, Inc. for the Water Pollution Control Plant Dirt Relocation Project, Project No. 2015.0300.

### **SUMMARY AND RECOMMENDATIONS**

Staff recommends that the City Council increase the Change Order Cap from 25% to 40% for the subject project, for a total increase to the approved contract of \$52,319.00 and authorize the City Manager to Execute Amendment No. 1 for the changes. The project budget has sufficient allocations to fund the increased cost.

### **BACKGROUND**

The construction phase of the WPCP Rehabilitation Project generated excess soil that must either be reused on-site or hauled to a disposal location. The soil can be reused on site as cost savings measure by filling in a portion of an existing storage pond to create a level area for equipment staging and storage. The existing storage pond has excess capacity and the proposed work will not negatively impact plant operations. This work requires a permit from the San Francisco Regional Water Quality Control Board (Water Board).

The City has contracted with Carollo Engineers, Inc. (Carollo) for a feasibility study, geotechnical evaluation, permit documents, and detailed design of the soil relocation work.

If the Water Board denies the City's permit application, the soil will be hauled to a disposal location.

### **Analysis**

Three change orders have already been made to the Carollo scope of work:

1. Collect sludge samples from within the existing pond.
2. Revise the design to relocate the pad away from existing utilities and culverts.
3. Investigate existing monitoring wells and develop an outline of a plan to measure the migration of existing contaminants from the existing pond.

Change order No. 3 was the result of an unexpected request from the Water Board during the course of the review process. After reviewing the feasibility studies of the project, the Water Board requested additional study of the existing groundwater quality to determine if sludge within the pond has any impact on groundwater. Contaminants within the existing pond are a legacy of its past use. While staff always planned to stabilize contaminants within the footprint of the pond, it was not anticipated that the Water Board would require examination of the migration of contaminants from the pond to

groundwater (if any) as the proposed project would not alter the clay liner of the pond. The Water Board has approved the outline of the plan developed under Change Order No. 3.

Implementation of the plan developed under Change Order No. 3 will require Change Order No. 4 for Carollo; the cumulative increase to the contract will be beyond 25%. See the financial impact section below for details.

### **Previous Actions**

- On January 21, 2014, by Resolution No. 2014-005, the City Council appropriated funds from the WPCP Enterprise Fund for the WPCP Dirt Relocation project
- On March 17, 2014, by Resolution No. 2014-023, the City Council approved a Consulting Services Agreement with Carollo Engineers, Inc. for the WPCP Dirt Relocation project for \$130,799

### **Applicable General Plan Policies**

52.04 Maintain efficient, environmentally sound, and cost-effective wastewater collection and treatment services in San Leandro.

### **Permits and/or Variances Granted**

A permit from the Water Board is required for reuse of the soil on-site. Removal of the material to a disposal location does not require a permit.

### **Environmental Review**

Reuse of the soil on-site, if permitted, is categorically exempt per CEQA Section 15304(a). The work consists of a minor alteration to the condition of the land, will be done on land with a slope of less than 10 percent, and will not involve removal of trees or work in any wetland, scenic area, or Alquist-Priolo Earthquake Fault Zone.

A notice of CEQA exemption will be filed with Alameda County during the design phase.

### **Fiscal Impacts**

The total cost of the WPCP Contaminated Soil Relocation project is estimated to be either \$3,025,000.00 if the contaminated soil must be off hauled or \$2,000,000.00 if the contaminated soil can be reused on site. The current appropriation for this project is \$2,650,000.00.

The cost of the contract with Carollo Engineers will be as follows:

<b>Description</b>	<b>Amount</b>	<b>Percent Change</b>
Original Scope approved by Council	\$130,799.00	-
Change order No. 1	\$ 4,576.00	3.5%
Change order No. 2	\$ 11,000.00	8.4%

Change order No. 3	\$ 8,085.00	6.2%
Change order No. 4 (if authorized by this action)	\$ 23,910.00	18.3%
<b>Subtotal</b>	<b>\$178,370.00</b>	<b>36.4%</b>
Contingency for remainder of work	<u>\$ 4,748.00</u>	<u>3.6%</u>
<b>Total (projected)</b>	<b>\$183,118.00</b>	<b>40.0%</b>

**Budget Authority**

This project is funded from the following account:

•\$2,650,000.00 of Water Pollution Control Plant Enterprise funds in account 593-52-229 appropriated on January 21, 2014, by Resolution No. 2014-005

This account contains enough funding to support the \$23,661.00 in change orders No. 1 through No. 3 above, as well as the additional increase to the Carollo contract scope of work/contingency for \$28,658.00, for Change Order No. 4 for a total increase to the original Carollo contract of \$52,319.00.

**PREPARED BY:** Yin-Kuei Lin, Assistant Engineer, Engineering and Transportation Department