



Legislation Text

File #: 16-353, **Version:** 1

Staff Report for a Resolution Approving a Consulting Services Agreement with Carollo Engineers, Inc. for Close-out Consulting Services and Services not completed under the Engineering Consulting Services Agreement on the Water Pollution Control Plant Rehabilitation Project, Project No. 08-593-52-239

SUMMARY AND RECOMMENDATIONS

Staff recommends approval of an agreement with Carollo Engineers, Inc. for close-out consulting services and to complete services originally required under the Engineering Consulting Services Agreement for \$3,231,229 on the Water Pollution Control Plant (WPCP) Rehabilitation project.

BACKGROUND

Carollo Engineers, Inc. was contracted by the City to provide services for the WPCP Rehabilitation project, as follows:

- Design services for \$3,763,298, and
- Engineering consulting services during construction for \$3,231,229

The second agreement expired December 31, 2015, however, some of the tasks were not completed. The remaining tasks include preparation of as-built record drawings and operations and maintenance manuals, which could be performed only after the contractor has completed all punchlist work and submitted redlined plans.

The City Council accepted construction work of the WPCP Rehabilitation project and authorized filing of Notice of Completion on May 2, 2016; however, the following significant issues remain unresolved with the contractor:

1. Potential and alleged delay costs;
2. Potential imposition of liquidated damages;
3. Unresolved change orders; and
4. Credit for scope of work removed from the contract.

Analysis

Carollo Engineers, Inc. did not complete the scope of work on the second contract within the original contract amount plus change orders of \$1,453,089 due to construction delays that were not within their control. The outstanding work from the original contract consists of preparation of record drawings and creation of an operation and maintenance manual database. The value of the outstanding work is approximately \$182,187 and is still necessary and valuable to the City.

The City and Contractor's positions on the outstanding construction issues are more than \$5,000,000 apart. It will take significant effort to ensure these issues are resolved in the most favorable manner possible. Carollo Engineers, Inc., and their sub-consultants have intimate knowledge of the project

that is critical in our efforts to settle these issues. Staff has budgeted \$193,402 for Carollo to assist with resolving outstanding construction issues with the contractor and closing out the construction contractor's contract.

The project currently has sufficient funds to cover the cost of the new agreement.

Previous Actions

- On May 2, 2016, by Resolution No. 2016-051, the City Council accepted the work for the WPCP Rehabilitation Project.
- On July 20, 2015, by Resolution No. 2015-133, the City Council approved appropriations in the amount of \$453,000.00 from the WPCP Enterprise Fund Unrestricted Fund Balance to the WPCP Rehabilitation Project.
- On January 21, 2014, by Resolution No. 2014-005, the City Council approved appropriations in the amount of \$2,650,000.00 from the WPCP Enterprise Fund to the WPCP Rehabilitation Project
- On July 5, 2011, by Resolution No. 2011-136, the City Council approved appropriating funds totaling \$43,000,000 from the State Revolving Fund Financing for the WPCP Rehabilitation Project (appropriated \$43,000,000.00).
- On July 5, 2011, by Resolution No. 2011-135, the City Council approved appropriating Funds from the WPCP Enterprise Fund for the WPCP Rehabilitation Project (appropriated \$7,000,000.00).
- On July 5, 2011, by Resolution No. 2011-133, the City Council approved a Consulting Services Agreement with Carollo Engineers related to the WPCP Rehabilitation Project in the amount of \$3,231,229.00.
- On February 7, 2011 by Resolution No. 2011-013, the City Council approved the plans and specifications and called for bids for the subject project.
- On November 3, 2008, by Resolution 2008-137, the City Council passed a resolution approving a consulting services agreement with Carollo Engineers to design the WPCP Rehabilitation Project in the amount of \$3,763,298.00.

Applicable General Plan Policies

- Policy 52.05: Maintain adequate capacity at the San Leandro Wastewater Treatment Plant to accommodate projected levels of growth within the service area and encourage the Oro Loma Sanitary District to do the same..

Permits and/or Variances Granted

City Building Permits were issued.

Environmental Review

The project was determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to section 15301 (b) "Existing Facilities".

Code Compliance Review

Code review was completed as part of the permit approval from the City of San Leandro Building Department and the Alameda County Fire Department.

Fiscal Impacts

The total cost of this additional contract is as follows:

Carryover Tasks (Current Scope previously encumbered)	\$182,187
Closeout Task (New Scope - new cost)	<u>\$193,402</u>
Total Combined Tasks Costs	\$375,589

Budget Authority

This project is funded from the following accounts:

Account No.	Appropriation Dates & Resolution No.	Amount
593-52-252	July 5, 2011; 11-135	\$ 5,390,000
<u>593-52-252</u>	<u>July 20, 2015; 15-133</u>	<u>\$ 453,000</u>
Total Appropriation		\$5,843,000

Current Account Balance:

593-52-252 \$ 589,731**

** excluding \$182,187 to be returned to this account upon the cancelation of the existing contract.

ATTACHMENTS

- CSA with Carollo Engineers, Inc. for WPCP Rehabilitation Project Close-Out

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