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1954 - 2024

Orange County
Sanitation District
70th Anniversary

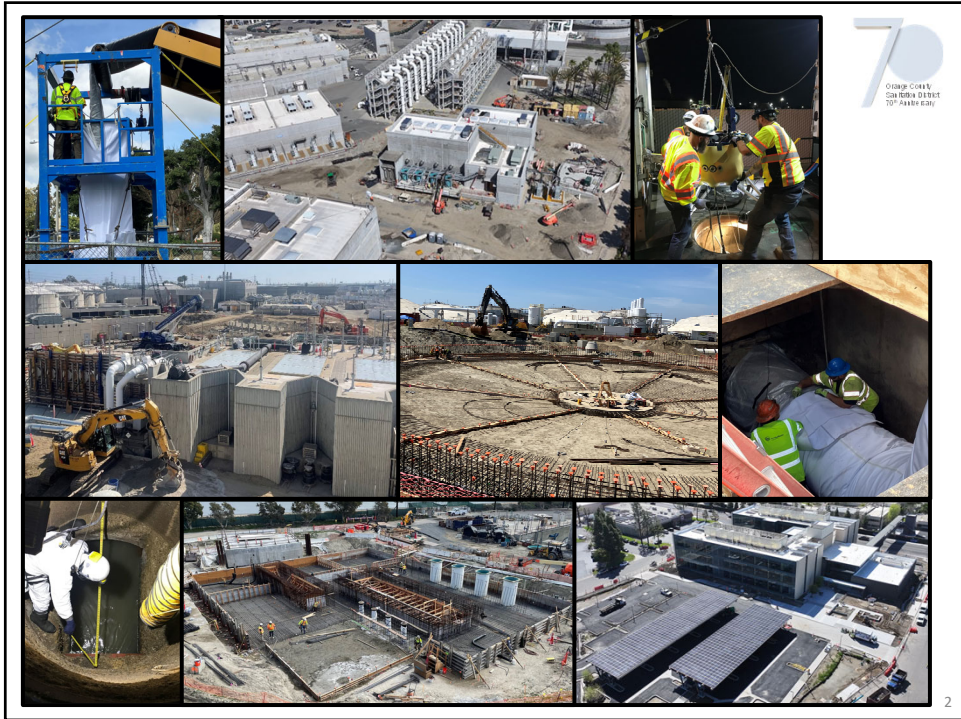
Construction Change Order Goals and Contingency Recommendations

Presented by:
Raul Cuellar, Engineering Manager

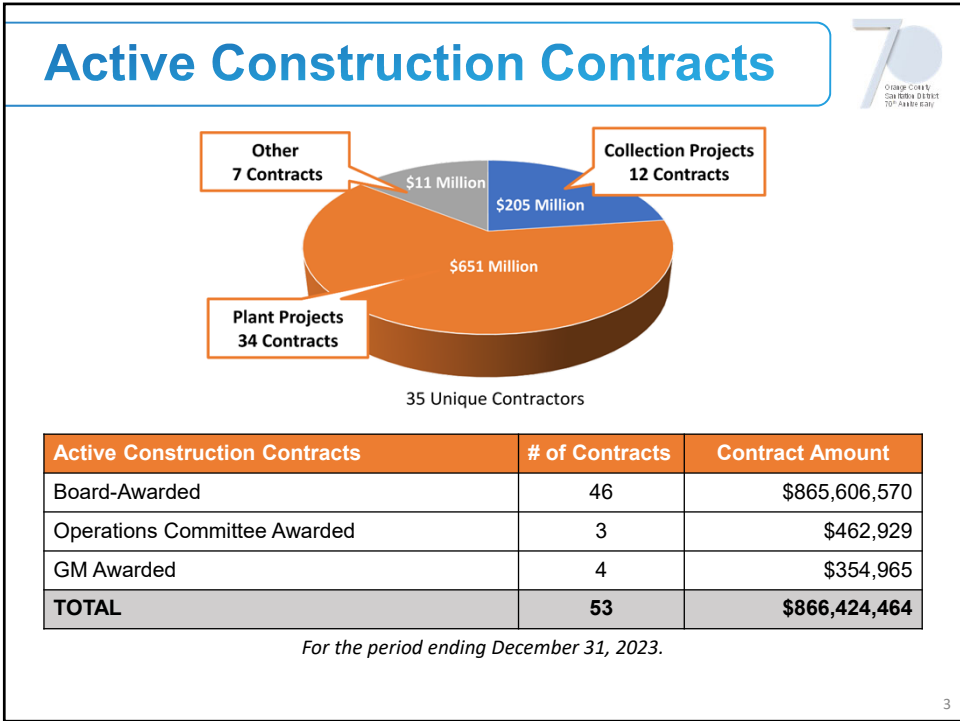
Operations Committee
May 1, 2024

Information Item

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Types of Projects

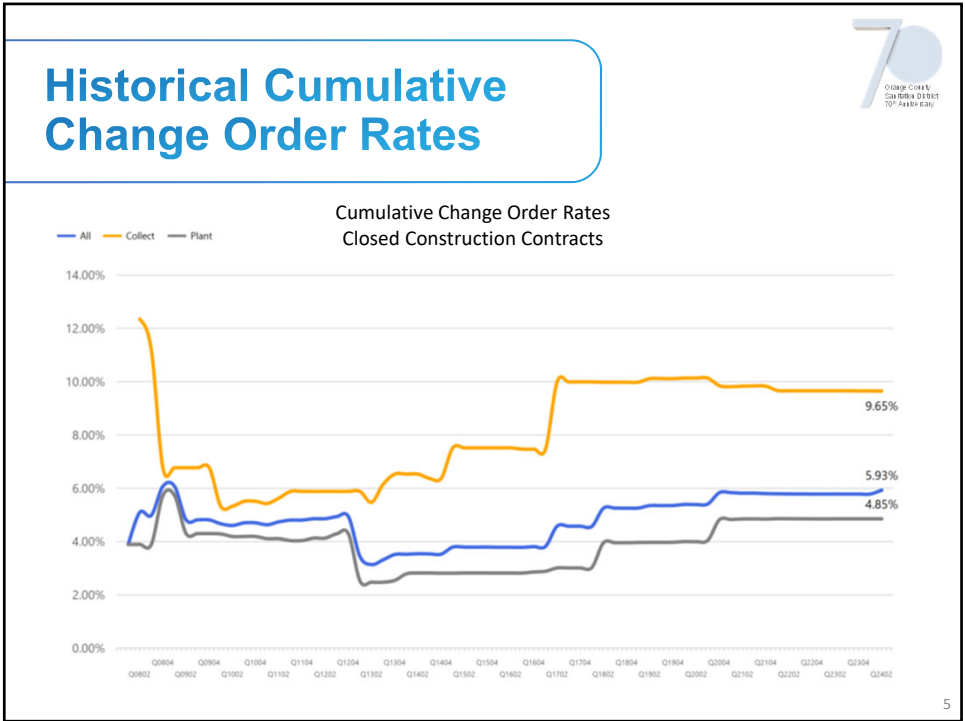
Location:

- Plant No. 1 Projects
- Plant No. 2 Projects
- Joint Projects
- Collections Projects
 - Pipelines
 - Pump Stations

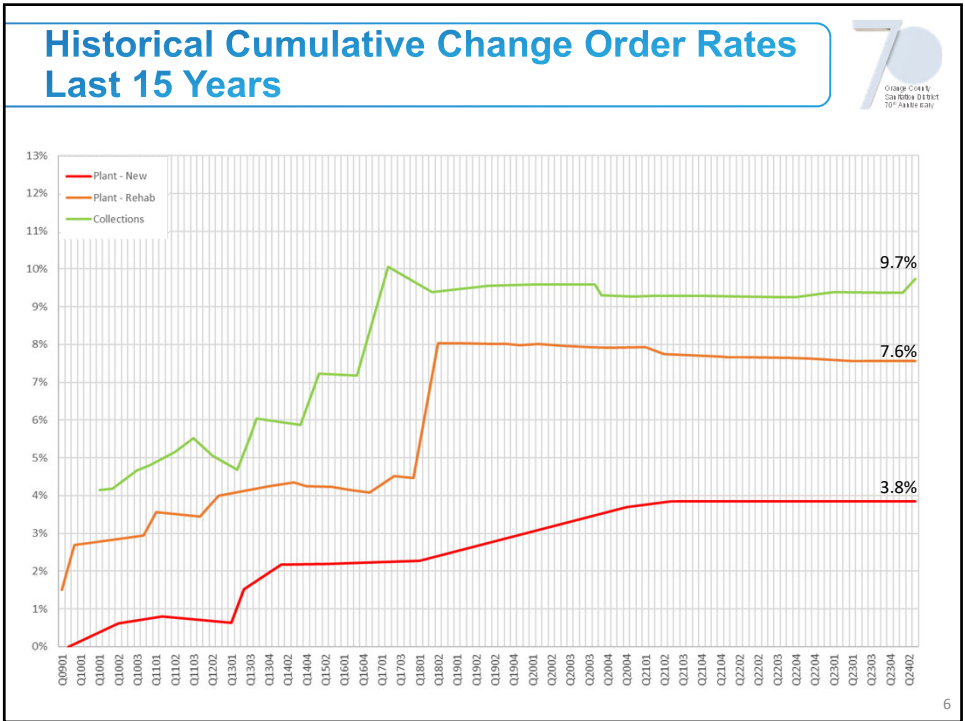
Types:

- Rehabilitation
- Replacement
- New Construction

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Construction Forecast Next 10 Years



Next 10 Years		
Project Type	Construction Estimate	% of Total
Plant - New	\$ 1,216,232,544	35%
Plant - Rehab	\$ 1,453,379,963	42%
Collections	\$ 762,675,731	22%
Total	\$ 3,432,288,238	100%

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Change Order Goals & Recommendations



Project Type	Last 15 Years Q0901 – Q2402	15-Year Sliding Window Change Order Goal
Plant – New	3.8%	5%
Plant – Rehab	7.6%	8%
Collections	9.7%	10%

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Local Agencies Change Order Contingencies

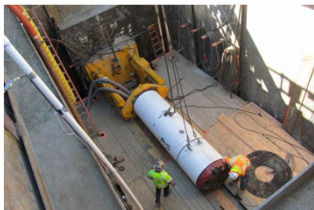


Agency	Contingency Above \$1.0 M Projects	Contingency Complex Projects
City of San Diego Public Utilities Department	2.5% - 5%	8% - 10%
Inland Empire Utilities Agency	15%	10%
Encina Wastewater Authority	10%	>10%
Irvine Ranch Water District	5%	10%
LA County Sanitation District	10%	>10%
City of Ventura Public Works Department	10%	10%

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Recommendations for Contingency Budgeting



Project Type	Under \$100 M	Over \$100 M
Plant – New	10%	Risk Based
Plant – Rehab	10%	Risk Based
Collections	10%	Risk Based

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Construction Change Order Mitigation Measures

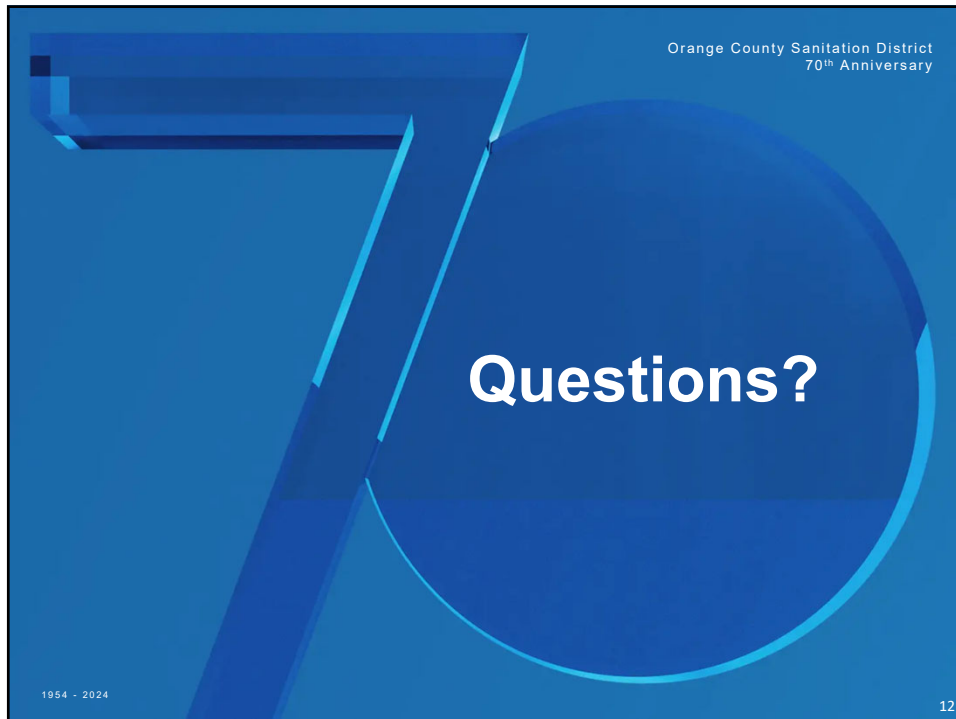


- Risk Management
- Apply Lessons Learned
- Constructability Reviews
- Proactive Collaboration
- Multilevel Approvals for Staff Requested Construction Changes
- Dispute Resolution and Claims Avoidance



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