



OPERATIONS COMMITTEE

Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433

Agenda Report

File #: 2024-3847

Agenda Date: 10/2/2024

Agenda Item No: 2.

FROM: Robert Thompson, General Manager
Originator: Mike Dorman, Director of Engineering

SUBJECT:

CENGEN COOLING WATER PIPE REPLACEMENT AT PLANT NO. 2, PROJECT NO. FE20-04

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a Task Order limit increase of \$70,000 to the Professional Design Services Agreement with Dudek to provide professional engineering services for CenGen Cooling Water Pipe Replacement at Plant No. 2, Project No. FE20-04, Task Order No. FE18-00-03-03, for a total amount not to exceed \$370,000.

BACKGROUND

The Orange County Sanitation District's (OC San) Central Power Generation System (CenGen) at Plant No. 2 was constructed in the early 1990's to generate electricity using digester gas. During normal operating conditions, CenGen supplies 100% of the electricity needed to run Plant No. 2 operations. Cooling water is used to keep the CenGen engines from overheating. The cooling water is highly corrosive and has caused the existing metallic piping to develop leaks. This project will replace the existing CenGen cooling water piping and all associated instruments and appurtenances.

Dudek was selected as part of a competitive, qualifications-based Task Order solicitation process to design and provide construction support services for CenGen Cooling Water Pipe Replacement at Plant No. 2, Project No. FE20-04. The replacement of the cooling water instruments was added as a Task Order amendment.

RELEVANT STANDARDS

- Sound engineering and accounting practices, complying with local, state, and federal laws
- Ensure the public's money is wisely spent

PROBLEM

The FE20-04 construction project is behind schedule due to delays caused by the contractor. As a result, the original budget is insufficient to cover the extended project timeline. Also, the decision to replace the old cooling water instruments instead of reusing them used up more of the design budget and made construction support more complex. As a result, the remaining funds allocated for the

Consultant are not enough to complete the necessary construction, commissioning, and close-out services.

This Task Order was awarded on May 18, 2021, under the Annual Professional Design Services Agreement, Contact No. FE18-00-03. The Task Order has already been authorized up to the contractual limit of \$300,000 and the current authorized amount is insufficient to complete the work.

PROPOSED SOLUTION

Increase the Task Order amount by \$70,000 to the total of \$370,000.

TIMING CONCERNS

The construction phase is ongoing, and the Task Order authorized limit has been met. If this increased limit is not approved, we may run out of budget to provide the remaining task order services to support construction.

RAMIFICATIONS OF NOT TAKING ACTION

The current budget allocated in the Task Order Services Agreement will not be enough to cover the remaining construction support work. OC San will need to utilize staff or other services to complete the project.

PRIOR COMMITTEE/BOARD ACTIONS

June 2018 - Approved Annual Professional Design Services Agreements with the following firms for professional engineering design and construction support services commencing July 1, 2018 with a maximum annual fiscal year contract limitation not to exceed \$600,000 for each Professional Design Services Agreements; and approved two additional one-year optional extensions for each PDSA.

ADDITIONAL INFORMATION

The Contract issued under Task Order No. FE18-00-03-03 has a limit of \$300,000 unless the Board of Directors approves a higher amount. Although the general task order limit was recently increased to \$500,000 when OC San adopted Purchasing Ordinance OC SAN-61, this contract was not updated. Since this increase exceeds the Task Order limit, Board authorization is required to amend this Task Order. Since the Task Order allowed for a \$300,000 limit with Board authorization, an amendment to Contract FE18-00-03 is not required.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget FY 2024-25 and 2025-26, Section 8, Page 49, CIP Projects, Small Construction Projects Program M-FE) and the budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

N/A

VP:lb