



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2024-3661

Agenda Date: 7/10/2024

Agenda Item No: 5.

FROM: Robert Thompson, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

INDUSTRIAL CLEANING SERVICES, SPECIFICATION NO. S-2020-1184BD, CONTINGENCY INCREASE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a contingency increase of \$216,050 (31%) to the existing Service Contract with Performance Pipeline Technologies Inc., dba Sanitation Systems, for Industrial Cleaning Services, Specification No. S-2020-1184BD, for a total contract amount not to exceed \$694,500 and a new total contingency of \$285,500 (41%) for the period of January 1, 2024 through December 31, 2024.

BACKGROUND

The purpose of this contract is to provide industrial cleaning, removing accumulated debris and grit from the Orange County Sanitation District's (OC San) treatment facilities and pump station treatment structures. These cleaning tasks are part of a planned and scheduled preventative and corrective maintenance approach that will help ensure availability of treatment plant structures.

Significant storm events and extensive construction activities have resulted in debris and grit accumulation in the treatment plant structures, wet wells, process tanks and basins. Plant process area structures have accumulated debris beyond the usual scope of the contract due to heavy storms at the beginning of this contract period as well as due to construction activity at Plant 1 Headworks resulting in substantial influx of grit and debris that must be promptly removed.

RELEVANT STANDARDS

- Protect OC San assets
- 24/7/365 treatment plant reliability
- Maintain a proactive asset management program

PROBLEM

The current not to exceed contract amount of \$694,500 plus the 10% contingency is not sufficient to cover the anticipated costs of cleanings scheduled for the remainder of the term of the contract.

PROPOSED SOLUTION

Increase contingency to cover the remainder of this term and the costs of unanticipated work during this period.

TIMING CONCERNS

Planned routine service maintenance and cleanings are required to remove debris and grit from damaging equipment and restore flow capacity of the primary effluent flow channels.

RAMIFICATIONS OF NOT TAKING ACTION

OC San could experience degraded treatment process performance, higher rehabilitation costs, and more frequent asset repairs.

PRIOR COMMITTEE/BOARD ACTIONS

November 2020 - Awarded a Service Contract to Performance Pipeline Technologies Inc. dba Sanitation Systems for Industrial Cleaning Service, Specification No. S-2020-1184BD, for a total amount not to exceed \$694,500 for the period of January 1, 2021 through December 31, 2021, with four one-year renewal options; and approved an annual contingency of \$69,450 (10%).

ADDITIONAL INFORMATION

N/A

CEQA

Industrial cleaning services is categorically exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. Section 15301 (Class 1) exempts from CEQA “the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use,” including “(b) Existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services”.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San’s Purchasing Ordinance. This item has been budgeted (Budget FY 2023-24, Section 6, Pages 92, Repairs and Maintenance) and the budget is sufficient for the recommended action.

| <u>Date of Approval</u> | <u>Contract Amount</u> | <u>Contingency</u> |
|-------------------------|------------------------|--------------------|
| 11/18/2020 | \$694,500 | \$69,450 (10%) |
| 07/24/2024 | | \$216,050 (31%) |

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