Headquarters
18480 Bandilier Circle
Fountain Valley, CA 92708
(714) 593-7433

OPERATIONS COMMITTEE

Agenda Report

File #: 2026-4967 **Agenda Date:** 6/24/2026 **Agenda Item No:** 9.

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

SUBJECT:

GISLER-RED HILL INTERCEPTOR AND BAKER FORCE MAIN REHABILITATION, PROJECT NO. 7-65

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Approve a Contingency Increase of $ 296,538 (30%) to the existing Professional Construction Services Agreement with CDM Smith, Inc. to provide construction support services for Gisler-Red Hill Interceptor and Baker Force Main Rehabilitation, Project No. 7-65, for a new total contingency amount of $395,384 (40%).

BACKGROUND

This project is rehabilitating approximately 8,600 linear feet of the Gisler-Red Hill Interceptor and approximately 12,000 linear feet of the Baker force mains. The project also includes replacing corroded and damaged piping, valves, and valve vaults at the Main Street Pump Station.

CDM Smith, Inc. is currently under contract to provide professional construction services to support the construction of Project No. 7-65.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Achieve less than 2.1 sewer spills per 100 miles

PROBLEM

The original Professional Construction Services Agreement (PCSA) assumed a certain level of effort based on the estimated number of submittals and requests for information (RFIs). These estimates were developed using the best available information and experience from similar projects.

Due to the complexity of the project, the actual level of effort has been significantly higher than anticipated. The consultant has experienced higher workloads than originally anticipated, supporting more than double the estimated number of RFIs and Submittals. In addition, construction delays have extended the construction schedule by approximately 14 months.

As a result, the consultant has exhausted the current contract budget and requires additional funding to continue providing construction support services through project completion.

PROPOSED SOLUTION

Approve a Contingency Increase to allow the authorization of a PCSA amendment to allow the consultant to continue providing construction support services through project completion.

TIMING CONCERNS

If this amendment is not approved, the consultant will exhaust the remaining contract budget before construction is complete.

RAMIFICATIONS OF NOT TAKING ACTION

The remaining PCSA contract budget will not be sufficient for the consultant to provide the construction support services needed through project completion. OC San would need to use internal staff resources or procure additional support services to complete the project.

PRIOR COMMITTEE/BOARD ACTIONS

May 2023 - Approved a Professional Construction Services Agreement with CDM Smith Inc. to provide construction support services for Gisler-Red Hill Interceptor and Baker Force Main Rehabilitation, Project No. 7-65, for a total amount not to exceed $988,460; and approved a contingency of $98,846 (10%).

ADDITIONAL INFORMATION

N/A

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. A Notice of Exemption has been filed with the OC Clerk-Recorder.

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update FY 2025-26, Page A-5, Gisler-Red Hill Interceptor & Baker Force Main Rehabilitation Project No. 7-65) 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:

- Presentation

RL:lb