



OPERATIONS COMMITTEE

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Agenda Report

File #: 2024-3902

Agenda Date: 11/6/2024

Agenda Item No: 13.

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

SUBJECT:

OPERATIONS AND MAINTENANCE FACILITY IMPROVEMENTS AT PLANT NO. 2, PROJECT NO. P2-138

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a contingency increase of \$2,532,649 (32%) to the existing Professional Design Services Agreement with Stantec Architecture, Inc. for the Operations and Maintenance Facility Improvements at Plant No. 2, Project No. P2-138, for a total contingency of \$3,324,102 (42%).

BACKGROUND

The Orange County Sanitation District's (OC San) existing two story Operations Center and cart barn was originally constructed in 1977 and was remodeled and expanded in 1992 and 1994. The existing Maintenance building was originally constructed in 1998. Both the Operations and Maintenance Buildings have seismic and geotechnical deficiencies and are at risk of damage during a seismic event.

The project initially planned to build a new Operations Building in the north area of Plant No. 2, allowing space for future Maintenance and Construction Management buildings, and to retrofit the existing Maintenance Building. Currently, Construction Management and Risk Management staff are located in trailers. Due to high mitigation costs associated with retrofitting the existing Maintenance Building, replacement was recommended. This approach enables the construction of a single, centrally located facility for Operations, Maintenance, Construction Management, and Risk Management staff on the site of the existing Maintenance Building and parking lot, rather than executing the project in phases. The project budget was increased in Budget FY 2024-25 and 2025-26 to include the increased cost for a single building. This change preserves maintenance efficiency, emergency response times, frees up more space for future process improvements, and improves staff collaboration. This will also preserve the existing construction staging area space at the north area of the Plant.

RELEVANT STANDARDS

- Protect OC San assets
- Sound engineering and accounting practices, complying with local, state, and federal laws
- Commitment to safety & reducing risk in all operations

PROBLEM

The current Professional Design Services Agreement contingency amount is insufficient for the design changes needed to design the Operations and Maintenance (O&M) Facility Improvements.

PROPOSED SOLUTION

Approve a contingency increase to provide additional design services.

TIMING CONCERNS

This project needs additional funding to proceed with the design phase. Without this funding, the buildings will remain vulnerable to damage or collapse in the event of an earthquake.

RAMIFICATIONS OF NOT TAKING ACTION

Without this project OC San operations and maintenance work could be impacted if a major earthquake occurs.

PRIOR COMMITTEE/BOARD ACTIONS

December 2022 - Approved a Professional Design Services Agreement with Stantec Architecture Inc. to provide engineering services for Operations and Maintenance Facility Improvements at Plant No. 2, Project No. P2-138, for an amount not to exceed \$7,914,529; and approved a contingency of \$791,453 (10%).

ADDITIONAL INFORMATION

N/A

CEQA

The Project is included in the Facilities Master Plan 2020 Program Environmental Impact Report, State Clearinghouse Number 2019070998. The Consultant is currently reviewing the O&M Facility Improvement project and will determine if an addendum is required.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget FY 2024-25 and 2025-26, Section 8, Page 75, Operations & Maintenance Complex at Plant No. 2, Project No. P2-138) and the budget is sufficient for the recommended action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
12/15/2022	\$7,914,529	\$ 791,453 (10%)
11/20/2024		\$2,532,649 (32%)

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