



OPERATIONS COMMITTEE

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Agenda Report

File #: 2023-3279

Agenda Date: 12/6/2023

Agenda Item No: 6.

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

SUBJECT:

PUMP STATION PORTABLE GENERATOR CONNECTORS, PROJECT NO. FE19-01

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a contingency increase of \$72,449 (6%) to the contract for Pacific International Electric Company, Inc., dba Pacific Industrial Electric, for Pump Station Portable Generator Connectors, Project No FE19-01, for an already approved total contract amount not to exceed \$1,207,479; and a total contingency of \$193,197 (16%).

BACKGROUND

The Orange County Sanitation District (OC San) is providing portable generator connectors at 13 pump stations and Power Building 5 at Plant No. 1 to ensure critical loads can be easily powered during a power outage or maintenance of major electrical equipment.

RELEVANT STANDARDS

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Provide a safe and healthy workplace

PROBLEM

Unforeseen conditions encountered during construction have resulted in higher-than-expected contract changes. Part of the contractor's scope of work is to replace existing circuit breakers with new circuit breakers. The motor control center (MCC) manufacturer required the circuit breakers, along with their associated buckets, to be replaced to maintain the existing Underwriters Laboratory (UL) rating of the MCCs. Typically, a UL circuit breaker can be replaced with another UL circuit breaker and still maintain the UL rating. The cost of this work has substantially impacted the approved construction contract contingency; therefore, the remaining contingency is estimated to be insufficient to complete construction.

PROPOSED SOLUTION

Approve an increase of \$72,449 (6%) to the contract contingency, for a total contingency of \$193,197 (16%). This increase will cover additional costs to complete the remaining construction work and provide funds for future changes.

TIMING CONCERNS

The project is currently in construction and is drawing closer to exhausting the original contingency amount. Additional contingency funds are required to authorize future anticipated field change orders to complete the remaining construction activities.

RAMIFICATIONS OF NOT TAKING ACTION

If the contract contingency is not increased, it is anticipated that the project will not have sufficient funds to reimburse the contractor, which would bring the project to a halt until additional funding is approved. Additionally, any delay to this construction prolongs the risk of these pump stations' inability to easily connect a portable generator during a power outage.

PRIOR COMMITTEE/BOARD ACTIONS

September 2021 - Awarded a Construction Contract to Pacific International Electric Company, Inc., dba Pacific Industrial Electric, for Pump Station Portable Generator Connectors, Project No. FE19-01, for an amount not to exceed \$1,207,479; and approved a contingency of \$120,748 (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 was filed with the OC Clerk-Recorder after OC San Board of Directors approval of the construction contract.

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update, Fiscal Year 2023-2024, Appendix A-8, Small Construction Projects Program, Project No. M-FE) and the budget is sufficient for the recommended action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
09/24/2021	\$1,207,479	\$120,748 10%
12/14/2023		\$ 72,449 6%

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

YD:tk