



Agenda Report

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FROM: Robert Thompson, General Manager
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SUBJECT:

WASTEHAULER STATION SAFETY AND SECURITY IMPROVEMENTS, PROJECT NO. FE20-01

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a contingency increase of \$101,387 (6%) to the construction contract with LEED Electric, Inc. for Wastehauler Station Safety and Security Improvements, Project No. FE20-01, for a total construction contingency of \$270,367 (16%).

BACKGROUND

The Orange County Sanitation District (OC San) operates a wastehauler receiving station near the entrance of Plant No. 1 which accepts liquid waste from commercial wastehauler trucks. Staff visually observes and collects samples from the commercial wastehaulers prior to allowing delivery. Staff currently utilizes a small temporary office near the receiving station to monitor the wastehaulers. The liquid waste from the wastehauler receiving station at Plant No. 1 gravity flows to Plant No. 2 and is considered non-reclaimable, and therefore cannot be recycled by the GWRS. There is a backup wastehauler receiving area at Plant No. 2 if the facility at Plant No. 1 is out of service.

A construction contract was awarded to LEED Electric, Inc. in September 2022 to provide an automated sampling system and office for Environmental Services staff to monitor wastehaulers. The construction is approximately 95% complete.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Commitment to safety and reducing risk in all operations
- Comply with environmental permit requirements

PROBLEM

This project planned on using the Plant No. 2 wastehauler receiving station to provide the contractor unobstructed access to complete the improvements at Plant No. 1. This Project was awarded in September 2022. In December 2022, OC San began recycling Plant No. 2 effluent for the GWRS. Since the existing Plant No. 2 wastehauler receiving station was on the reclaimable side of the

treatment plant, it could no longer be used to accept liquid waste from the wastehaulers. OC San required the contractor to sequence the construction activities to maintain operation at the Plant No. 1 wastehauler receiving station. This requirement was not anticipated at the time of award and differed from the Contract requirements. The revised sequencing requirement was lifted in July 2023 when the new Plant No. 2 receiving station, connected to the non-reclaimable side, was placed in service.

During the automated sampling system submittal review, OC San staff noted that the pH probe was going to be installed in a configuration that would allow some liquid waste to enter the treatment plant before the sampling system could determine if it complies with discharge requirements. If the pH probe was left in the configuration as shown in the submittal, there could be the potential to have off-spec waste (pH outside limits of 6-12) enter the treatment plant, potentially creating upsets and requiring higher chemical costs. Because there is zero tolerance for off-spec liquid waste, OC San would have to issue a violation to the wastehauler every time this happens. Unanticipated changes were made to the automated sampling system valves and piping layout to ensure that off-spec liquid waste does not enter the treatment plant.

The cost of addressing the unanticipated change to the construction sequencing and the unanticipated changes to the automated sampling system has resulted in higher than expected contract changes. The current authorized contingency is insufficient to complete the remaining work on the contract, which is scheduled to be finished by the end of September 2023.

PROPOSED SOLUTION

Approve a contingency increase of \$101,387 to the construction contract for a total contingency of \$270,367 (16%).

TIMING CONCERNS

Additional contingency funds are required to authorize required changes over the construction contingency without causing project delays.

RAMIFICATIONS OF NOT TAKING ACTION

A delay in authorizing required work to complete the project could result in additional compensable contractor overhead costs. The final completion of the project will also be delayed.

PRIOR COMMITTEE/BOARD ACTIONS

September 2022 - Awarded a Construction Contract to LEED Electric, Inc. for Wastehauler Station Safety and Security Improvements, Project No. FE20-01, for a total amount not to exceed \$1,689,788; and approved a contingency of \$168,980 (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. On October 4, 2022, 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, Page 8, Small Construction Projects Program, Project No. 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

CM:tk