

OTAY WATER DISTRICT
ENGINEERING, OPERATIONS & WATER RESOURCES COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
Board Room

Thursday
September 13, 2007
4:00 P.M.

This is a District Committee meeting. This meeting is being posted as a special meeting in order to comply with the Brown Act (Government Code Section §54954.2) in the event that a quorum of the Board is present. Items will be deliberated, however, no formal board actions will be taken at this meeting. The committee makes recommendations to the full board for its consideration and formal action.

AGENDA

1. ROLL CALL
2. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

INFORMATION / ACTION ITEMS

3. APPROVE CHANGE ORDER NO. 2 TO THE EXISTING AGREEMENT WITH PACIFIC HYDROTECH CORPORATION FOR CONSTRUCTION OF THE 640-1 AND 640-2 RESERVOIRS PROJECT REDUCING THE AGREEMENT AMOUNT BY \$122,112 (RIPPERGER/SIMMONS) [5 minutes]
4. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Jose Lopez, Chair
Gary Croucher

All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

If you have any disability that would require accommodation in order to enable you to participate in this meeting, please call the District Secretary at 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on September 10, 2007 I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on September 10, 2007.



Connie Rathbone
Connie Rathbone, Assistant District Secretary

AGENDA ITEM 3



STAFF REPORT

| | | | |
|-----------------------------|---|--------------------------|--------------------------------------|
| TYPE MEETING: | Regular Board | MEETING DATE: | October 3, 2007 |
| SUBMITTED BY: | Ken Simmons <i>KS</i> Senior Civil Engineer | PROJECT / SUBPROJECT: | P2185 DIV. 5 003013 NO. |
| | Ron Ripperger <i>[Signature]</i> Engineering Manager | | |
| APPROVED BY: (Chief) | Rod Posada <i>[Signature]</i> Chief, Engineering | | |
| APPROVED BY: (Asst. GM): | Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations | | |
| SUBJECT: | Change Order No. 2 to the Agreement with Pacific Hydrotech Corporation for Construction of the 640-1 and 640-2 Reservoirs Project | | |

GENERAL MANAGER'S RECOMMENDATION:

That the Board approve Change Order No. 2 (See Page 2 of Staff Report for detail on the Change Order) to the existing agreement with Pacific Hydrotech Corporation (Pacific Hydrotech) for construction of the 640-1 and 640-2 Reservoirs Project reducing the agreement amount by \$122,112 (See Exhibit A for project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute Change Order No. 2 (See Exhibit B) reducing the agreement amount with Pacific Hydrotech by \$122,112.

ANALYSIS:

At the December 6, 2006 Board Meeting, Pacific Hydrotech was awarded the construction agreement for the 640-1 and 640-2

Reservoirs Project. The project construction began in January 2007 and is currently progressing well. Overall, construction is 40% complete. Construction completion is scheduled for November 2008.

Change Order No. 2 modifies the wall thickness of the inlet/outlet piping from 1/4-inch to 3/8-inch at an agreed upon price of \$77,887 and deletes bid item #14, the agreement allowance for delays due to blasting, which will result in a \$200,000 deduct.

The construction plans were unclear as to the wall thickness of the pipelines coming from the 640 Reservoirs and connecting into vault 1. Since the wall thickness was shown on the plans at vault 1 as 1/4-inch, Pacific Hydrotech included this thickness in their bid for the piping between the reservoirs and vault. Due to concerns regarding deflection and difficulty accessing these critical pipelines for repair in the future, the design engineer requested that the pipeline between the reservoirs and vault 1 be 3/8-inch wall thickness. The added value gained with the thicker wall for these pipelines provides an extra measure of safety for the future. The blasting has been completed and no delays were incurred.

The project's construction management team, RBF Consulting, reviewed the piping costs submitted by the contractor with two outside pipe manufacturers and found that the agreed upon price of \$77,887 was very reasonable and the least expensive of the quotes received.

The design engineer recognized that this issue should have been resolved during the design and bid phases. Because of this oversight the design engineer has contributed \$5,000 to help offset the additional pipe cost. They have also contributed their staff time to investigate and resolve the issue.

Change Order No. 2 is a net decrease to the agreement with Pacific Hydrotech of \$122,112. Staff recommends approving Change Order No. 2 in the amount of <\$122,112>.

FISCAL IMPACT:



The approved total budget for CIP P2185 is \$29,500,000. Expenditures to date are \$11,543,828. Total commitments to date, including this Change Order, are approximately \$28,078,340. See Attachment B for budget detail.

The Project Manager anticipates that based on the attached financial analysis that the budget will be sufficient to support

this project. This change order reduces the agreement amount by \$122,112.

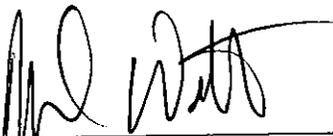
As previously determined by Finance, the funding for this project is available from the Expansion Fund (53%) and the Betterment Fund (47%).

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater services to the customers of Otay Water District, in a professional, effective, efficient, and sensitive manner..." This project fulfills the District's Strategic Goals No. 1 - Community and Governance, and No. 5 - Potable Water, by maintaining proactive and productive relationships with the project stakeholders and by guaranteeing that the District will provide for current and future water needs.

LEGAL IMPACT:

None.



General Manager

P:\WORKING\CIP 00185 - 640 Reservoirs\WO 30018 640 Reservoirs\Staff Reports\CO #2\BD 10-03-07, 640-1,2 Pac Hydrotech CO#2.doc

KS/RR/RP:mlc

Attachments: Attachment A
Attachment B
Exhibit A
Exhibit



ATTACHMENT A

| | |
|---|---|
| SUBJECT/PROJECT: P2185-003103 | Change Order No. 2 to the Agreement with Pacific Hydrotech Corporation for Construction of the 640-1 and 640-2 Reservoirs Project |
|---|---|

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 13, 2007. The Committee supported Staff's recommendation.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for Board approval. This report will be sent to the Board as a Committee approved item, or modified to reflect any discussion or changes as directed from the Committee prior to presentation to the full Board.



ATTACHMENT B

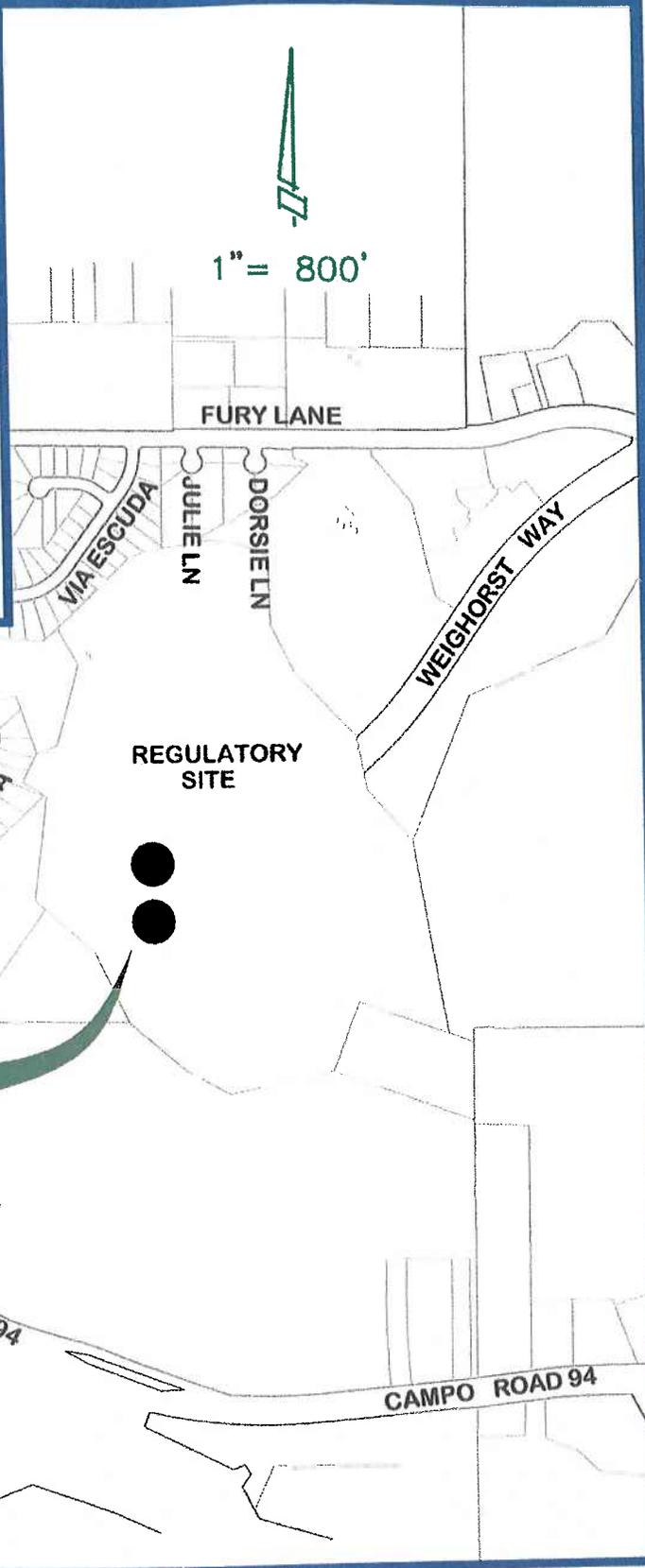
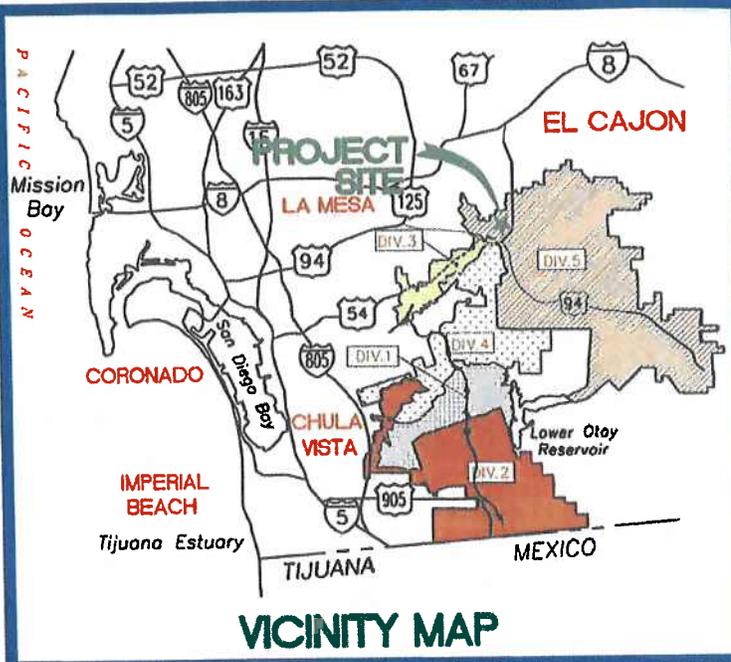
| | |
|---|---|
| SUBJECT/PROJECT: P2185-003103 | Change Order No. 2 to the Agreement with Pacific Hydrotech Corporation for Construction of the 640-1 and 640-2 Reservoirs Project - Budget Detail |
|---|---|

 Otay Water District
 P2185 - Res - 640-1 Reservoir 20.0 MG

Date Updated: August 27, 2007

| Budget | Committed (A) | Expenditures (B) | Outstanding Commitment & Forecast (C) | Projected Final Cost (B+C) | Vendor / Comments |
|--------------------------------------|------------------------|------------------------|--|-------------------------------|---------------------------------|
| \$29,500,000 | | | | | |
| Planning | | | | | |
| Studies | | | | | |
| In-house/Labor | 104,409.10 | 104,409.10 | | 104,409.10 | |
| Printing | 223.58 | 223.58 | | 223.58 | Tiger Reprographics |
| Office Supplies | 25.05 | 25.05 | | 25.05 | Petty Cash Custodian |
| Consultant Contract | 842,000.00 | 810,733.91 | 31,266.09 | 842,000.00 | Infrastructure Engineering Corp |
| Construction Contracts- Elec/Permits | 750.00 | 750.00 | | 750.00 | San Diego Gas & Electric |
| Professional & Legal Fees | 466.90 | 466.90 | | 466.90 | Garcia Calderon & Ruiz |
| Subcontract | 175,783.84 | 175,783.84 | | 175,783.84 | |
| Subcontract | 153,831.91 | 153,831.91 | | 153,831.91 | |
| Chemical Feed Systems | 6,169.48 | 6,169.48 | | 6,169.48 | Core-rosion Products |
| Service Contract | 362.25 | 362.25 | | 362.25 | Bob Turner's Crane Services Inc |
| Service Contracts | 63.80 | 63.80 | | 63.80 | Sedona Staffing |
| Postage | 26.57 | 26.57 | | 26.57 | Fed-Ex |
| Land/Easement Acquisition | 39,000.00 | 39,000.00 | | 39,000.00 | Wildlands Inc |
| Total Planning | \$ 1,323,112.48 | \$ 1,291,846.39 | \$ 31,266.09 | \$ 1,323,112.48 | |
| Design | | | | | |
| In-house/Labor | \$ 306,225.51 | \$ 306,225.51 | | \$ 306,225.51 | |
| Consultant | \$ 4,704.84 | \$ 4,704.84 | | \$ 4,704.84 | WRA & Associates |
| Subcontract | \$ 8,499.72 | \$ 8,499.72 | | \$ 8,499.72 | E & J Weed Abatement Co. |
| Subcontract | \$ 682.01 | \$ 682.01 | | \$ 682.01 | Environmine |
| Subcontract | \$ 7,800.00 | \$ 7,800.00 | | \$ 7,800.00 | Fire Prevention Services Inc. |
| Subcontract | \$ 600.00 | \$ 600.00 | | \$ 600.00 | Pacific Southwest Biological |
| Subcontract | \$ 9,711.41 | \$ 9,711.41 | | \$ 9,711.41 | John Powell & Associates |
| Regulatory Agency Fee | \$ 1,250.00 | \$ 1,250.00 | | \$ 1,250.00 | State of California |
| Office Supplies | \$ 15.09 | \$ 15.09 | | \$ 15.09 | Petty Cash Custodian |
| Materials | \$ 537.10 | \$ 537.10 | | \$ 537.10 | Traffic Control Services Inc |
| Materials | \$ 152.00 | \$ 152.00 | | \$ 152.00 | Alled Trench Shoring Services |
| Service Contract | \$ 15,168.39 | \$ 15,168.39 | | \$ 15,168.39 | OCB Reprographics |
| Service Contract | \$ 2,228.00 | \$ 2,228.00 | | \$ 2,228.00 | Mcgraw-Hill Construction |
| Advertisement | \$ 527.80 | \$ 527.80 | | \$ 527.80 | San Diego Daily Transcript |
| Advertisement | \$ 2,224.60 | \$ 2,224.60 | | \$ 2,224.60 | Union Tribune Publishing |
| Advertise and Award | | | | | Advertise and Award |
| Total Design | \$ 360,326.47 | \$ 360,326.47 | | \$ 360,326.47 | |
| Construction | | | | | |
| In-house/Labor | 160,022.93 | 160,022.93 | 649,289.37 | 809,312.30 | |
| Subcontract | 118,929.39 | 118,929.39 | | 118,929.39 | Boyle Engineering |
| Materials | 122.40 | 122.40 | | 122.40 | Office Depot |
| Materials | 5,466.34 | 5,466.34 | | 5,466.34 | National Waterworks Inc. |
| Temporary Labor | 382.80 | 382.80 | | 382.80 | Sedona Staffing |
| Shipping | 20.62 | 20.62 | | 20.62 | Fed-Ex |
| Construction Contracts- Elec/Permits | 23,377.00 | 23,377.00 | | 23,377.00 | San Diego Gas & Electric |
| Construction Contract | 24,894,000.00 | 9,232,215.00 | 15,661,785.00 | 24,894,000.00 | Pacific Hydrotech Corporation |
| Construction Management | 1,196,735.00 | 355,274.00 | 841,461.00 | 1,196,735.00 | RBF Consulting |
| Contingency | | | 752,370.16 | 752,370.16 | Contingency |
| CO #1 | 116,562.00 | 116,562.00 | | 116,562.00 | CO #1- Pacific Hydrotech |
| CO #2 | (122,112.16) | (122,112.16) | | (122,112.16) | CO #2- Pacific Hydrotech |
| Professional & Legal Fees | 258.40 | 258.40 | | 258.40 | Burke Williams & Sorensen LLP |
| Professional & Legal Fees | 487.20 | 487.20 | | 487.20 | Garcia Calderon & Ruiz |
| Service Contracts | 649.60 | 649.60 | | 649.60 | San Diego Daily Scripts |
| OWD to Pay CWA for FCF 14 | | | | | CWA |
| Accep/close-out | | | 20,000.00 | 20,000.00 | In-house Staff |
| Total Construction | 26,394,901.52 | 9,891,655.52 | 17,924,905.53 | 27,816,561.05 | |
| Grand Total | 28,078,340.47 | 11,543,828.38 | 17,956,171.62 | 29,500,000.00 | |

P:\WORKING\CIP 00185 - 640 Reservoirs\WO 30018 640 Reservoirs\Graphics\Exhibits-Figures\640 Reservoirs.dwg 8/1/2007 12:48:04 PM PDT



1" = 800'



OTAY WATER DISTRICT

PROPOSED
640-1 AND 640-2 RESERVOIRS

W.O. 30018

LOCATION MAP

CIP P2185

EXHIBIT A

CONTRACT/P.O. CHANGE ORDER No. #2

PROJECT/ITEM: 640-1 (10 MG) & 640-2 (10 MG) Reservoirs

CONTRACTOR/VENDOR: Pacific Hydrotech Corporation

REF. CIP No.: P2185-003103

APPROVED BY: Board

REF. P.O. No: 705704

REF. W.O. No.: 30018

DATE: 9/5/2007

DESCRIPTION:

See attached page 2 of 2 for continuation.

REASON:

See attached page 2 of 2 for continuation.

CHANGE P.O. TO READ:

Revise contract to deduct \$122,112.16 for a total contract amount of \$24,888,450.10.

| | | |
|---|----|---------------|
| ORIGINAL CONTRACT/P.O. AMOUNT: | \$ | 24,894,000.00 |
| ADJUSTED AMOUNT FROM PREVIOUS CHANGE: | \$ | 25,010,562.26 |
| TOTAL COST OF THIS CHANGE ORDER: | \$ | (122,112.16) |
| NEW CONTRACT/P.O. AMOUNT IS: | \$ | 24,888,450.10 |
| ORIGINAL CONTRACT COMPLETION DATE: | | Sep 6, 2008 |
| CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE: | | 63 Days |
| REVISED CONTRACT COMPLETION DATE: | | Nov 8, 2008 |

IT IS UNDERSTOOD WITH THE FOLLOWING APPROVALS, THAT THE CONTRACTOR/VENDOR IS AUTHORIZED AND DIRECTED TO MAKE THE HEREIN DESCRIBED CHANGES. IT IS ALSO AGREED THAT THE TOTAL COST FOR THIS CHANGE ORDER CONSTITUTES FULL AND COMPLETE COMPENSATION FOR OBLIGATIONS REQUIRED BY THE CONTRACT/P.O. ALL OTHER PROVISIONS AND REQUIREMENTS OF THE CONTRACT/P.O. REMAIN IN FULL FORCE AND EFFECT.

CONTRACTOR/VENDOR:

SIGNATURE: _____

NAME : _____

TITLE: _____ DATE : _____

ADDRESS: _____

STAFF APPROVALS:

PROJ. MGR : _____ DATE: _____

DIV. MGR : _____ DATE: _____

CHIEF: _____ DATE: _____

ASST. GM : _____ DATE: _____

DISTRICT APPROVAL:

GEN. MANAGER: _____ DATE: _____

COPIES: FILE (Orig.), CONTRACTOR/VENDOR, ASST. CHIEF-ENGINEERING, ASST. CHIEF-FINANCE, ENGR. MGR.
 ACCTS PAYABLE, INSPECTION, PROJ. MGR., ENGR. SECRETARY, PURCHASING

Description of Work

| <u>Description</u> | <u>Increase</u> | <u>Decrease</u> | <u>Time</u> |
|---|------------------------------|-----------------|-------------|
| <u>Item No. 1</u> RFP 002 This Change Order provides for increasing the wall thickness of both the inlet and outlet pipelines for the 640-1 and 640-2 Reservoirs from 1/4" wall thickness to 3/8" wall thickness due to design requirement per RFP 002 | \$77,887.84 | | 0 |
| <u>Item No. 2</u> This Change Order decreases the amount allocated for Bid item 14, Suspension of Blasting Operations by \$200,000 to a new authorized amount of \$0.00. (Delete 20 Days at \$10,000 / Day) | | \$200,000.00 | 0 |
| Sub Total Amount | \$77,887.84 | \$200,000.00 | 0 |
| Total Net Change Order Amount | <u>(\$122,112.16)</u> | | |

Revisions to: BID SCHEDULE

| Item # | Description | Quantity | Unit | Unit Price | Amount |
|--------|-----------------------------------|----------|------|------------|--------|
| 14 | Suspension of Blasting Operations | 0 | DAY | \$10,000 | 0.00 |

Reason:

Item No. 1: RFP 2

Subsequent to initiation of the submittal process it was determined by the design engineer that 3/8-inch wall thickness steel pipe was required between vault 1 and the reservoirs due to pipe deflection tolerances resulting from the depth of cover over the pipelines. The thickened wall section was not indicated on the drawings and was determined to be required as part of the submittal review process. This change is required to implement a thickened wall section for both reservoirs inlet and outlet pipelines to vault 1 to ensure deflection tolerances are achieved due to design depth of cover.

Item No. 2: RFP 2

The Contract Allowance Bid Item, Item No. 14 Suspension of Blasting Operations, was utilized to the maximum practical extent in the performance of the contract work and is no longer required.

CHANGE ORDER LOG

CIP Title - 640-1 and 640-2 Reservoirs

Project: P2185

Consultant/Contractor: Pacific Hydrotech Corporation

Subproject: 003103

W.O. No. 30018

| | | APPROVED | | | |
|------|----------------|----------|-----------|--|----------------------|
| C.O. | AMOUNT | BY | DATE | DESCRIPTION | TYPE C.O. |
| 1 | \$116,562.26 | Board | 9/5/2007 | 1. Differing site condition beneath Tank 2 and modified soil backfill requirements | Contractor Initiated |
| 2 | (\$122,112.16) | Board | 10/3/2007 | 1. Increase inlet/outlet pipe wall thickness from 1/4-inch to 3/8-inch 2. Removes contract provision for delays due to blasting as all project blasting is complete | Contractor Initiated |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |

| | | |
|---------------------------|-----------------|------|
| Total C.O.'s To Date: | (\$5,549.90) | 0.0% |
| Original Contract Amount: | \$24,894,000.00 | |
| Current Contract Amount: | \$24,888,450.10 | |

Change Order Breakdown for the Month:

| Month | Net C.O.\$ | Limit | Authorization | C.O. % |
|-------|------------|----------|---------------|--------|
| | | \$2,000 | Secretary | 0.0% |
| | | \$5,000 | PM/Sup | 0.0% |
| | | \$10,000 | DivM | 0.0% |
| | | \$15,000 | Chief | 0.0% |
| | | \$25,000 | AGM | 0.0% |
| | | \$50,000 | GM | 0.0% |
| | | >\$50000 | Board | 0.0% |