

CITY OF SANTA ROSA  
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES  
FROM: TRACY DUENAS, SUPERVISING ENGINEER  
CAPITAL PROJECTS ENGINEERING  
SUBJECT: ADDITIONAL CONTINGENCY – LAGUNA TREATMENT PLANT  
CHILLERS AND CLIMATE CONTROL UPGRADES AT  
ADMINISTRATION AND ANNEX BUILDING

AGENDA ACTION: MOTION

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RECOMMENDATION

It is recommended by the Transportation and Public Works Department and the Water Department that the Board of Public Utilities, by motion, increase contingency by \$130,982.40 for Contract No. C02105 Laguna Treatment Plant Chillers and Climate Control Upgrades at Administration and Annex Building, for a total contract and contingency amount of \$1,135,180.80.

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EXECUTIVE SUMMARY

This motion will authorize an increase in contingency to provide for additional work required to fully complete the HVAC control replacement at both the Administration and Annex Buildings proposed under Contract No. C02105.

BACKGROUND

A 2016 study by Costa Engineers, Inc. identified that the chillers and boilers located at the Administration and Annex Buildings have reached the end of their effective service life. The Laguna Treatment Plant Chillers and Climate Control Upgrades at Administration and Annex Building project (Project) will consist of the replacement of two 50-ton chillers and two condensing boilers at the Administration building, and one 15-ton chiller at the Annex building. The Project will also upgrade the climate control system and programmable logic controller (PLC) network associated with this equipment at both buildings.

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PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On August 15, 2019, the Board of Public Utilities, by Resolution No. 1203, approved the sole source specification of Siemens S7 Series PLC for the climate control system for Laguna Treatment Plant Chillers and Climate Control Upgrades at Administration and Annex Building, Contract No. C02105.

On October 17, 2019, the Board of Public Utilities, by motion, approved construction Contract No. C02105 in the amount of \$1,004,198.40 to the lowest responsive bidder, Matrix HG, Inc. (Contractor), of Novato, CA for Contract No. C02105.

On July 16, 2020, the Board of Public Utilities, by Resolution No. 1230, approved a subcontractor addition for Wunderlich-Malec Engineering (Subcontractor), of California, for Contract No. C02105.

ANALYSIS

1. On November 25, 2019, a Notice to Proceed was issued for the Project. Shortly thereafter, the Contractor acquired approval to proceed with acquisition of replacement equipment for the Project.
2. On March 10, 2020, the Contractor submitted Request for Information (RFI) #30 regarding Contract deficiencies with the described HVAC climate control upgrades scope of work specific to PLC, programming, and related network equipment replacement. The RFI indicated contract documents lacked i) network integration and programming work for one of the proposed chillers to be replaced, ii) (3) PLC controllers, and iii) (1) display operator interface panel.
3. Between March 17, 2020 and May 5, 2020, the Contract was temporarily suspended in response to the Sonoma County Health Officer's COVID-19 Order via executed Contract Change Order No. 1 through No. 3.
4. On July 28, 2020, the Contractor submitted Change Order Request (COR) No. 15 to address the deficient scope of work related to the HVAC climate control upgrades stated in RFI #30. The City and design engineer proceeded with a comprehensive analysis of the contract documents to validate the Contractor's assertions. Further research of the existing HVAC climate control network, processes, controlling variables and overall system operations was performed. The effort involved extensive coordination and review by both Plant operators and the design engineer which ultimately confirmed the contract documents were incomplete and lacked the appropriate information to provide for a complete HVAC climate control upgrade to both the Administration and Annex Buildings.
5. On September 25, 2020, the City formally responded to COR No. 15 with a revised sequence of operations, and revised specifications and drawings to address contract

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deficiencies confirmed by the analysis and as required to complete the Project. A cost proposal revision was requested to reflect these changes.

6. On December 23, 2020, the Contractor resubmitted with COR No. 15R2 and a revised cost proposal.
7. The City has additionally rejected a portion of Contractor's COR No. 15 scope for work deemed part of the contract. The Contractor has been notified to resume with said portion of work per the provisions of the Contract and that no additional compensation was warranted. The Contractor is also entitled to dispute this work per the provisions of the Contract.
8. The following additional scope of work is proposed under COR No. 15R2:
  - Additional programming associated with the PLC replacement, including system integration of equipment systems and total inputs,
  - (3) Siemens S7-1500 PLC controllers,
  - (1) Siemens TP 1900 Display Operator Interface Panel,
  - PLC and Touch Panel Programs and software configuration,
  - Additional control system documents and operating manuals.

#### FISCAL IMPACT

Approval of this contingency has no additional impact on the budget. Funds for this project have been previously appropriated with the Capital Improvement Program budget.

#### ENVIRONMENTAL IMPACT

This action is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline Title 14, Chapter 3, Article 19, Sections 15301 and 15303 of CEQA, as the Project consists of a minor alteration of an existing public sewerage facility and the improvements are all located within the developed area of the Laguna Treatment Plant.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

#### CONTACT

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