

CITY OF SANTA ROSA  
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES  
FROM: TRACY DUENAS, SUPERVISING ENGINEER  
CAPITAL PROJECTS ENGINEERING  
SUBJECT: CONTINGENCY INCREASE FOR CONTRACT NO. C02105 –  
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, pursuant to Council Policy No. 100-07 approve an administrative change order, and approve a 5% contingency increase of \$43,660.80 for Contract No. C02105 – Laguna Treatment Plant Chillers and Climate Control Upgrades at Administration and Annex Building, for a total amount of \$1,178,841.60.

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EXECUTIVE SUMMARY

This motion will authorize an increase in contingency amount under Contract No. C02105 to cover the additional work required to complete the HVAC control replacement at the Laguna Treatment Plant (LTP) Administration and Annex Buildings.

BACKGROUND

A 2016 study by Costa Engineers, Inc. identified that the chillers and boilers located at the LTP Administration and Annex Buildings had reached the end of their effective service life. The Laguna Treatment Plant Chillers and Climate Control Upgrades at Administration and Annex Building project (Project) consists of replacing two 50-ton chillers and two condensing boilers at the Administration (Admin) building, and one 15-ton chiller at the Annex building. The Project also includes upgrades to the existing climate control system and Programmable Logic Controller (PLC) network associated with the new chiller and boiler equipment. The chillers and boilers have been installed and are currently operating

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in manual mode. The remaining work for the Project consists of automation through PLC integration.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On August 15, 2019, the Board of Public Utilities (Board), by Resolution No. 1203, approved the sole source specification of the Siemens S7 Series PLCs for the climate control system for the Project.

On October 17, 2019, the Board, by motion, approved construction Contract No. C02105 in the amount of \$873,216.00 with a contingency amount of \$130,982.40 (15%) for a total contract amount of \$1,004,198.40 to the lowest responsive bidder, Matrix HG, Inc., of Novato, CA (Contractor).

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

On March 4, 2021, the Board, by motion, approved an increase in contingency amount of \$130,982.40 under Contract No. C02105 for a total contract amount of \$1,135,180.80.

ANALYSIS

The staff report for the March 4, 2021 Board item confirmed that the original contract documents were deficient and lacked information specific to the climate control system and PLC network upgrades, which necessitated an increase in contract contingency. Following the Board's motion approving an increase in contingency amount of \$130,982.40 under Contract No. C02105 on March 4, 2021, Contract Change Order (CCO) 7 was issued for the additional climate control system and PLC network upgrades work, and an authorized contract contingency balance of \$98,233.20 remained (see Attachment 1).

Since March 4, 2021, the Project has required additional design modifications and experienced unforeseen conditions, which resulted in extra work performed under CCOs 8 – 10 (see Attachment 1). Said additional work was deemed necessary by the Project's construction management team to complete the Project.

Currently, the following additional work has been identified by the Contractor and is pending City review, validity, and execution under CCO 11:

<u>Description:</u>	<u>Cost:</u>
Upgrade of PLC model type @ Admin Building	\$5,250.00
Additional 3-way valve piping @ Admin Building	\$8,186.30
Additional instrumentation, control, and PLC programming	<u>\$21,254.87</u>

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Total: **\$34,691.17**

The current remaining authorized contract contingency balance is **\$18,705.64**.

The pending CCO 11 total amount exceeds the authorized contingency balance by **\$15,985.53**, (see Attachment 1). Staff is requesting the Board approve, by motion, an additional 5% contract contingency to cover the cost of the pending CCO 11 and to replenish the contingency balance should additional unforeseeable work be required to complete the Project.

Under City Council Policy No. 100-07, the additional work proposed under CCO 11 meets the definition of an “administrative change order” (see Definitions, section G) because it is a change order to a Public Works Contract which does not change the scope of work or intent of the contract as awarded by the original award authority. Administrative change orders may include “extra work” required for the proper completion or construction of the whole work contemplated and “increases or decreases” in the quantity of a contract item or work.

Pursuant to Policies, section D of Council Policy No. 100-07, an administrative change order that exceeds the funds available within the authorized contract amount shall be returned to the original contract award authority for approval. As the Board was the original award authority for Construction Contract No. C02105, staff requests that the Board, by motion, approve an administrative change order in accordance with City Council Policy No. 100-07.

#### 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

#### ATTACHMENTS

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- Attachment 1 – Contract Change Order Summary
- Attachment 2 – Location Map

CONTACT

Tracy Duenas, Supervising Engineer, [tduenas@srcity.org](mailto:tduenas@srcity.org), (707) 543-3952