

Lompoc City Council Agenda Item

City Council Meeting Date: September 7, 2010

TO: Laurel M. Barcelona, City Administrator

**FROM: Larry A. Bean, Public Works Director
l_bean@ci.lompoc.ca.us**



SUBJECT: INCREASE THE CITY ADMINISTRATOR'S CONTRACT CHANGE ORDER AUTHORITY FOR THE CHEVRON ENERGY SERVICES CONTRACT BY \$140,000.00

RECOMMENDATION:

Staff recommends the City Council take the following actions:

1. Increase the City Administrator's Contract Change Order Authority for the Chevron Energy Services Contract from \$162,200 to \$302,200.
2. Approve the Project Funding Budget Adjustment in Exhibit 1. (attached)

BACKGROUND:

On September 4, 2007, the City of Lompoc executed an Energy Services Contract with Chevron Energy Solutions Company for energy related improvements to City facilities in an amount not to exceed \$5,568,982.

The design/build contract with Chevron provided high efficiency lighting upgrades for Lompoc Library, Anderson Recreation Center, Lompoc Police Station, Ryon Park, Thompson Park, Lompoc Wastewater Plant, Lompoc Water Plant, and day-lighting applications for the Corporate Garage, Warehouse, and Transit Garage. Ryon Park and Thompson Park lighting improvements included new poles. Mechanical equipment efficiency upgrades are being made at City Hall, the Civic Auditorium, Garage, Library, Anderson Recreation Center, and the Police Station. Our energy management system will be upgraded and expanded for City Hall, Fire Stations 1 and 2, Library, Anderson Recreation Center, Police Station, and Wastewater Plant. Our fire alarm and security system is being expanded for City Hall, Civic Auditorium, Corporate Yard, Fire Stations 1 and 2, Landfill, Library, Aquatic Center, Museum, Anderson Recreation Center, Solid Waste's "V" Street facility, the Wastewater Administration Building, and Water Plant. Roofs were replaced for the Electric Division and Street Division parking sheds at the Corporate Yard. Photovoltaic (solar) energy systems were installed at the Corporate Yard, Solid Waste's "V" Street facility, and the Water Plant. Well No. 8 received a new variable frequency drive. A new irrigation control system for Beattie Park, City Hall, JM Park, the Library, Pioneer Park, Riverbend Park, River Park, Ryon Park, Thompson Park, and Westvale Park was installed. Overall, the project is approximately 89% complete.

While the contract provided for change orders, no funding or authority to execute was provided by the City Council action on September 4, 2007.

In August 2009, City Council authorized the City Administrator to approve Contract Change Orders to the Energy Services Contract with Chevron Energy Solutions Company in an amount not to exceed \$145,400. The major amount of this work was for facilities enhancements at City Hall and the Police Station.

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In May 2010, City Council increased the City Administrator's Contract Change Order Authority to an amount not to exceed \$162,200. This work was for the HVAC system at the Wastewater Administration Building.

PROPOSED ROOF REPAIR AT CITY HALL:

The Chevron Energy Services Contract included HVAC work at City Hall. While preparing the roof for HVAC equipment installation and ductwork for the break room and the print room at City Hall, the contractor found deteriorated plywood roof sheathing in three locations from an earlier roof leak. The deterioration is such that the structural capacity of the roof may be compromised if the sheathing is not replaced. Staff estimates that 432 sq. ft. of roof need to be replaced, however, staff requests change order authority for up to 860 square feet due to the unknown limits of damage. There is no attic or crawl space in this area where a complete inspection could be completed.

PROPOSED CHANGE ORDER SCOPE OF WORK:

Chevron has proposed the following work to complete the roof repair:

- Obtain Standard Re-Roof Permit
- Remove and dispose of not to exceed 500-square feet of existing built up roofing system. Three (3) areas totaling 500-square feet
- Remove and dispose of not to exceed 500-square feet of existing lightweight concrete underlayment
- Remove and dispose of existing edge flashing metal as necessary (not to exceed 80-lineal feet)
- Remove and dispose of existing damaged plywood sheathing as necessary (not to exceed 500-square feet)
- Furnish and install new 5/8" CDX plywood sheathing in removed plywood areas (not to exceed 500-square feet)
- Furnish and install 80-lineal feet of new edge flashing metal
- Furnish and install 24-lineal feet of counter flashing
- Furnish and install 500-square feet of new lightweight concrete underlayment to match existing roof slope and thickness
 - Based on installing "Insulating Cellular Concrete Roof Fill" not to exceed 500-square feet and an average of 15-inches thick
 - Based on a minimum of a 1-1/2" water line/60 GPM minimum being made available for onsite mixing of Cellular Concrete
 - The physical properties of the Cellular concrete will be a minimum of 190 p.s.i. compressive strength and a dry density of 29-32 pcf
- Furnish and install not to exceed 500-square feet of new built up roofing system to match existing roofing system
 - Install composite ply base sheet with expandable anchors in light weight concrete deck
 - Spud back edges of existing gravel built-up for new roof tie-in approximately 18"
 - Apply three 28-lb interplay sheets set in cold applied process Tremco adhesive
 - Flood coat surface and imbed 1/4" gravel into flood coat
- This work will maintain existing roof warranty

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Cost estimate for 500 square feet of roof work at City Hall is \$93,093.

- Option: Add for each 2-feet by 2-feet increment added beyond the base 500-square feet:
\$ 520.00
- Option: Deduct for each 2-feet by 2-feet increment reduced from base 500-square feet:
\$ 520.00

FUNDING:

Funding for the initial project, as approved at the September 4, 2007, City Council meeting, was comprised of two components. The first component was \$4,282,036 of proceeds from lease financing. The second component was a combination of surplus Public Benefit Funds from both the Water and Electric utilities. The initial Change Order Authority, approved by the City Council at the August 4, 2009, City Council meeting, was funded with a combination of Budget Adjustments from Fiscal Year 08-09 budget carryovers. This previous Budget Adjustment provided \$26,000 of appropriations from the following five accounts: 16000-71084, 51500-71084, 52500-71084, 53500-71084 and 59500-71084.

As this proposed Change Order Authority increase provides similar benefits to those of the first, a similar Budget Adjustment of \$140,000, as shown on the attached Exhibit 1, is proposed for this unanticipated but necessary work. Funds for the Budget Adjustment (Exhibit 1) are available for use on this project.

Based on Chevron's proposed cost of \$93,000 for 500 sq. ft., with a deduction or addition of \$520 per four square feet (2ft.X2ft. increment), staff estimates the final repair cost should be between \$84,000 (432 sq. ft.) and \$140,000 (860 sq. ft.)

The cause of the initial damage is under review by the City's property insurer. If the damage is determined to be the result of a covered loss, the City's exposure would be our per occurrence deductible, which is \$25,000. In the event of a covered loss, the deductible would be spread equally as provided in the Budget Adjustment.

SUMMARY:

With funding in place, authorizing the City Administrator to approve Change Orders will allow work to proceed for the required repairs and correction to the roof at City Hall.

Larry A. Bean, P.E.
Public Works Director

Attachment: Exhibit 1 - Budget Adjustment

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Laurel M. Barcelona

