



## City Council Agenda Item

**City Council Meeting Date:** July 16, 2024

**TO:** Dean Albro, City Manager

**FROM:** Brad Wilkie, Utility Director  
b\_wilkie@ci.lompoc.ca.us

**SUBJECT:** Adoption of Resolution No. 6683(24) to Approve Purchase Order Change Orders for the Solid Waste Utility's Landfill Stormwater Project

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### **Recommendation:**

Staff recommends the City Council adopt Resolution No. 6683(24) (attached) which will:

- 1) Approve additional authority by way of a Purchase Order Change Order under PO No. P230649 for Bosco Constructors for an amount not to exceed \$150,000 for the 20-LF-1 Solid Waste Landfill Stormwater Project (20-LF-1 Project) for construction services; and
- 2) Approve additional authority by way of a Purchase Order Change Order under PO No. P230650 for MNS Engineers, Inc., for an amount not to exceed \$29,000 for the 20-LF-1 Project's construction management services; and
- 3) Approve additional authority by way of a Purchase Order Change Order under PO No. P220411 for Golder Associates USA / WSP USA for an amount not to exceed \$25,000 for the 20-LF-1 Project's planning, design and consulting services for the 20-LF-1 Solid Waste Landfill Stormwater Project.

### **Background:**

The 20-LF-1 Project was designed and the construction contract was issued as a result of a Notice of Violation (NOV) issued on July 6, 2018, by the Regional Water Quality Control Board (RWQCB). The NOV received by the City addressed stormwater issues at the Landfill and required mitigation of those issues by the City. Shortly after the receipt of the NOV, planning and design work commenced to address findings in the NOV. In March 2023, the City Council authorized Bosco Constructors to construct the planned stormwater improvements at the Landfill to address the issues identified by the RWQCB in its 2018 NOV.

While the 20-LF-1 Project has a total of \$8,212,753.81 of cumulative appropriations since FY 2018-19, the project has encountered significant challenges and some opportunities since inception that have increased the cost of completing it. The project design had to be reviewed by external agencies throughout the process. Once construction commenced, collaboration between the primary contractor, the design consultant, the construction manager, and City staff identified a number of enhancements to the project design that will enable the finished project to be easier and less costly to maintain and operate. However, these enhancements have created additional construction and design costs above what was originally approved.

At the March 5, 2024, City Council meeting, the 20-LF-1 Project was discussed. At the time the following was identified as a possible outcome as the City progressed towards the completion of the 20-LF-1 Project:

The construction manager and the City engineering staff have evaluated remaining construction tasks necessary to complete the Project. While both are estimating the remaining total contractor costs to complete the project is close to the existing PO authority, there is a potential that the authority limit may be exceeded.

**Discussion:**

During the construction phase of the 20-LF-1 Project, (10) Construction Change Orders have been approved totaling \$852,289. The work performed under these Change Orders to date exceeds \$1,089,000; approximately \$237,000 more than anticipated under the cumulative Change Orders. In addition, due to the 20-LF-1 Project's extended term, it is anticipated the awarded contract amount of \$5,489,550 might be exceeded by roughly \$100,000 based on a review by City staff and MNS Engineers, the construction managers for the 20-LF-1 Project. These costs have been partially offset by cost savings realized by the City on portions of the originally designed facility that have not needed to be constructed.

The extended term of construction has also increased the scope of work required by MNS Engineers and Golder Associates, the 20-LF-1 Project's designers and the primary consultant assisting with ensuring the City's compliance with the NOV requirements for the stormwater improvements. Cumulatively, it is anticipated that these two firms could require an additional \$50,000 to \$75,000 for the City to effectively close out the work associated with all aspects of the 20-LF-1 Project.

To facilitate the timely completion and close out of the 20-LF-1 Project, additional Change Order authorities are requested in the total amount of \$204,000 to provide for potential project costs above the existing Purchase Order authority for the three main firms working on the 20-LF-1 Project as follows:

<u>Vendor</u>	<u>Purchase Order No.</u>	<u>Change Order Amount</u>
Bosco Constructors	230649	\$150,000
MNS Engineers, Inc	230650	29,000
Golder Associates	220411	<u>25,000</u>
Total additional Purchase Order authorities		<u>\$204,000</u>

**Fiscal Impact:**

No General Fund resources have been or will be expended for any portion of the 20-LF-1 Project.

At the March 5, 2024 City Council meeting, the City Council authorized \$400,000 in supplemental appropriations for the 20-LF-1 Project. Prior authorizations for appropriations provide the resources for each of the proposed Change Orders without additional supplemental appropriations.

All construction costs related to the 20-LF-1 Project incurred after February 18, 2022, are eligible for reimbursement along with all planning and design costs incurred prior to and after February 18, 2022, from bond proceeds in accordance with Resolution No. 6491(22).

**Conclusion:**

In order to efficiently close out the 20-LF-1 Project, the action of increasing the 20-LF-1 Project's purchasing authorities will allow for the timely completion and close out of the 20-LF-1 Project.

Respectfully submitted,

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Brad Wilkie, Utility Director

**APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:**

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Dean Albro, City Manager

Attachment: Resolution No. 6683(24)