



AGENCY:	Municipal Improvement District
MEETING DATE:	September 10, 2018
DEPARTMENT:	Public Works
PRESENTED BY:	J. Smith
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## AGENDA ITEM SUMMARY

### **TITLE:**

**Receive Status Report on the Wastewater Treatment Plant Upgrade Project (City Project No. 2018-01) and Consider Adoption of Fort Bragg Municipal Improvement District Resolution Authorizing District Manager to Execute Contract Change Order No. 2 Reducing the Amount of the Construction Contract with Wahlund Construction, Inc. by \$262,404**

### **ISSUE:**

The upgrade of the Wastewater Treatment Plant (WWTP) is well underway. This work is being done by Wahlund Construction of Eureka under a \$15,352,500 contract. The current treatment system will be replaced by an activated sludge system. Additional upgrades at the facility also include solids handling, storm water system, creation of equalization basins, and a new location for biosolids storage.

### **ANALYSIS:**

We've had a great start to the Wastewater Treatment Plant Upgrade Project (Project) thus far. Our construction team, made up of the construction manager, inspectors, design engineers and general contractor are communicating well. The contractor has been working through a rather lengthy list of submittals. These submittals require review by the construction management team and our design engineers to confirm items meet specifications. Construction efforts have been focused on the activated sludge basin area of the site. The excavation continued to the depth of bedrock. Concrete was then used to backfill the varying depths to provide a solid foundation for the activated sludge basin. This work involved placement of about 1700 cubic yards. The concrete required a couple weeks to cure before placement of six inches of gravel base. The aggregate base material was compacted and graded in preparation to begin laying rebar and setting concrete forms. Construction of the activated sludge system will begin on the eastern portion of the tank and the contractor will continue moving west.

Safety is a very important part of this project. The safety of the workers is always at the forefront of each portion of the project. But just as important are the folks utilizing our Coastal Trail. Emphasis was given to the intersection at the Wastewater Treatment Facility driveway and the Coastal Trail. Warning signs were placed along the trail and stop signs for vehicular traffic were set up at the crossing. During periods of high traffic, there has been a flagger stationed at the intersection. This was an added layer of safety, provided by the contractor, to make sure trail users are safe.

At the beginning of the project, the contractor was asked to provide some creative value engineering ideas to reduce construction costs. Any ideas brought forth must still meet specifications. After review by the design engineers, the result was a savings (contract reduction) of \$280,930. Change order #1 resulted in a contract reduction of \$18,526 and Change order #2 is a contract reduction of \$262,404. Construction is a dynamic process. Items of work change as conditions change or something unexpected comes up. These changes are tracked with Change Orders. Some changes will also move costs up or down. Changes to the total contract amount are also tracked by Change Orders. Change Order #2 is being brought to the District Board of the Fort

Bragg Municipal Improvement District because it is a substantial change in the contract cost.

Future change orders are expected. For example, we will be increasing the size of the biosolids belt filter press from a 1 meter (about 3 feet) to 1.5 meters (about 5 feet). This will increase the construction contract by about \$29,000. This improvement will reduce energy costs as well as personnel costs. There will also be a modification to the storm water drainage system that will provide savings to the City. We will continue to work with the contractor and our engineers to find cost saving ideas that will improve the end product without sacrificing reliability or quality.

**RECOMMENDED ACTION:**

Recommend the Council adopt the attached Municipal Improvement District Resolution and authorize the District Manager to execute Project Change Order #2.

**ALTERNATIVE ACTION(S):**

None

**FISCAL IMPACT:**

This will be a reduction in the total contract amount providing a budget allowance for future change orders.

City of Fort Bragg  
WWTP Project Budget Status Report  
As of 08/29/2018

<u>Description</u>	<u>Original Budget</u>	<u>*Encumbered /Spent To</u> <u>Date</u>	<u>Remaining Budget - Running Total</u>
Project budget (FY18-19 budget):	\$ 17,603,400		
Wahlund Construction contract		(15,352,500)	2,250,900
Jones Hall - bond counsel		(52,250)	2,198,650
HDR - Design Engineer contract		(250,000)	1,948,650
SHN - Construction Management contract		(1,105,500)	843,150
SHN change order No.1		(18,700)	824,450
SHN change order No.2		(5,200)	819,250
Wahlund change order No.1		18,526	837,776
Wahlund change order No.2		262,404	<u>\$ 1,100,180</u>

\*Encumbrances are funds which have been committed by contract and/or purchase orders.

\*\*The current and available budget balance remaining after accounting for all expenditures, contracts, contract change orders and purchase orders is \$1,100,180.00.

**ATTACHMENTS:**

1. Resolution
2. Change Order #2

**NOTIFICATION:**

None.