

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **OCTOBER 8, 2013**

From: *MD* **MARY DIETRICH / BILL ZIMMERMAN** *7*

Subject: **SEWER MAINTENANCE DISTRICT 3 REGIONAL SEWER PROJECT
CONSTRUCTION CONTRACT CHANGE ORDER 3**

ACTION REQUESTED / RECOMMENDATION:

1. Adopt a Resolution authorizing the Director of Facility Services, or designee, to execute Contract Change Order 3 (CCO 3) to the Construction Contract with Vinciguerra Construction (Vinciguerra), for Project 40131 - Sewer Maintenance District 3 (SMD 3) Regional Sewer Project (Project), in the amount of \$718,991.
2. Approve a Budget Revision in the amount of \$718,991 to increase the SMD 3 Regional Sewer Capital Project Budget from \$13,800,000 to \$14,518,991, funded through a Clean Water State Revolving Fund loan with repayment from SMD 3 User Fees, with no net County cost.

BACKGROUND: SMD 3 provides sewer service to approximately 615 equivalent dwelling units in the Horseshoe Bar area of Loomis. The SMD 3 Wastewater Treatment Plant (Plant 3) was constructed in 1962 and uses treatment processes that cannot meet the regulatory standards included in its current discharge permit and accompanying Cease and Desist Order (CDO) issued by the Central Valley Regional Water Quality Control Board (CVRWQCB).

On November 20, 2012, your Board approved the Plans and Specifications and authorized staff to solicit bids for a Project to decommission Plant 3, construct a pump station at Plant 3 and install approximately 13,100 linear feet of 10-inch pipeline to SMD 2. Completion of the Project will allow the County to convey wastewater from SMD 3 to the existing SMD 2 collection system and on to the City of Roseville's Dry Creek Wastewater Treatment Plant for treatment. On April 9, 2013, your Board awarded the bid to Vinciguerra in the amount of \$4,404,793 and authorized the Director of Facility Services to execute the resulting Construction Contract. County staff issued a Notice to Proceed to Vinciguerra for April 29, 2013.

Following the Notice to Proceed, utility conflicts were identified that required realignment of a significant portion of the pipeline on Auburn Folsom Road. The most significant utility conflict was related to the proximity of the proposed wastewater pipeline to an existing water pipeline. The County's design engineer acknowledged not identifying the utility conflict in the initial design phase and completed the project redesign at its cost. County staff will continue to identify costs that are the direct result of the required redesign.

Much of the original pipeline alignment was designed to be on or near the shoulder of the south bound lane of Auburn Folsom Road. The revised alignment locates the pipeline in the north bound travel lane which will require additional lane closures and traffic control, and limits the time for work to between 8:00 am and 4:00 pm where lane closures are necessary. In addition, the revised alignment is closer to an existing gas pipeline and limits Vinciguerra's ability to utilize certain construction methods, including blasting, to excavate and remove rock from the pipe trench. County staff negotiated a total cost of \$718,991 to compensate Vinciguerra for the impacts of the revised alignment.

Execution of CCO 3 with Vinciguerra in the amount of \$718,991 is necessary to complete the Project. Alternatives to staff's recommendation include deleting the pipeline work from the Project and including that work in a separate future construction project, or terminating the existing Construction Contract and rebidding the Project. However, staff believes both of these alternatives are likely to be more costly and result in additional delays to the Project.

ENVIRONMENTAL CLEARANCE: On November 20, 2012, your Board certified the Environmental Impact Report and Mitigation Monitoring and Reporting Plan for the Project. The Notice of Determination was filed for the Project on November 27, 2012. Changes to the Project from the revised alignment are minor and do not involve new or increased environmental effects; therefore the changes do not warrant additional environmental review.

FISCAL IMPACT: The total estimated Project cost is \$14,518,991, which includes the revised Construction Contract amount of \$5,119,793 and the previously authorized construction contingency of \$397,207. Funding is through a \$3,900,000 grant from the US Army Corp of Engineers, a previous \$900,000 General Fund contribution and a \$9,747,099 Clean Water State Revolving Fund (SRF) loan with a 30-year term at 1.9% interest.

On April 9, 2013, your Board approved a Placer County Treasury loan (\$2,800,000 with a 30-year term at 3.0%) to provide interim construction funding pending completion of the SRF loan. However, as a result of the delay associated with the pipeline realignment, the SRF loan will be in place prior to the need to utilize the Placer County Treasury loan. As a result of the lower interest rate associated with the SRF loan, the existing SMD 3 User Fees provide adequate funding for CCO 3.

MD:BZ:KB:LM

CC: COUNTY EXECUTIVE OFFICE

ATTACHMENT: RESOLUTION
BUDGET REVISION

FAC\BSMEMO2013\EE\SMD 3 REGIONAL SEWER CCO 3.DOC

Before the Board of Supervisors County of Placer, State of California

In the matter of: **AUTHORIZE THE DIRECTOR
OF FACILITY SERVICES, OR DESIGNEE, TO
EXECUTE CONTRACT CHANGE ORDER 3 TO
THE CONSTRUCTION CONTRACT WITH
VINCIGUERRA CONSTRUCTION, FOR
PROJECT 40131 - SEWER MAINTENANCE
DISTRICT 3 REGIONAL SEWER PROJECT**

Resolution _____

The following RESOLUTION was duly passed by the Board of Supervisors of the County
of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors, County of Placer, State of California, that the Director of Facility Services, or designee, is authorized to execute Contract Change Order 3 to the Construction Contract with Vinciguerra Construction, for Project 40131 - Sewer Maintenance District 3 (SMD 3) Regional Sewer Project (Project), in the amount of \$718,991.

PAS DOCUMENT NO.

Facility Service to do journal to transfer cash

BUDGET REVISION

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
12	BR	3,594,955.00	5

- Cash Transfer Required
- Reserve Cancellation Required
- Establish Reserve Required

- 9127
- Auditor-Controller
 - County Executive
 - Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT

APPROPRIATION ADJUSTMENT

DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
12	006		503	3	990732	90732	8953			718,991.00
12	006		140		991078	04824	8990			718,991.00
TOTAL										1,437,982.00

DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
12	014		503	3	990732	90732	3778			718,991.00
12	014		140		991078	04824	4151			718,991.00
12	034		140		991078	04824	4151	704824	010000	718,991.00
TOTAL										2,156,973.00

REASON FOR REVISION: TO APPROPRIATE EXPENDITURES AND OFF-SETTING REVENUES IN SEWER MAINTENANCE DISTRICT #3 AND THE CAPITAL PROJECTS FUND FOR THE SMD#3 REGIONAL SEWER PROJECT.

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Prepared by Valerie Bayne Ext 6803
 Department Head Valerie Bayne
 Board of Supervisors _____

Date: 10/8/13
 Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE