



REPORT TO COUNCIL

City of Sacramento

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CONSENT

December 13, 2005

Honorable Mayor and
Members of the City Council

Subject: Completion of the Water Facility Expansion Program; E.A. Fairbairn Water Treatment Plant Expansion Project (ZF43)- Transfer Funds and Approve Final Construction Change Order NO. 30

Location/Council District:

E.A. Fairbairn Water Treatment Plant (College Town Dr) / District 6

Recommendation:

Staff recommends that the City Council approve the attached resolution authorizing the City Manager to execute Final Change Order No. 30 in the amount of \$1,593,009.00 with Balfour Beatty Construction Inc., for the construction of E.A. Fairbairn Water Treatment Plant Expansion Project and completion of the Water Facility Expansion Program. Additionally, the resolution allows the City Manager to transfer funds in order to complete this project.

Contact: David L. Brent, Engineering Services Manager, 808-1420; Dan Sherry, Supervising Engineer, 808-1419

Presenters: N/A

Department: Utilities

Division: Engineering Services

Organization No: 3332

Summary:

The Department of Utilities will be completing the Water Facility Expansion Program in December 2005. This program included the expansion and modifications of the City's existing E.A Fairbairn Water Treatment Plant and Intake, and Sacramento River Water Treatment Plant and Intake.

In April 2002 the City Council awarded a construction contract to Balfour Beatty Construction, Inc for an amount of \$53,150,235 to expand and modify the existing E.A. Fairbairn Water Treatment Plant (FWTP). The final change order (change order No. 30) includes security upgrades and miscellaneous improvements in order to complete the project. The City negotiated with Balfour Beatty on Change Order No. 30 for a total amount of \$1,593,009.

Committee/Commission Action: None.

Background Information:

The City of Sacramento provides water to more than 135,000 customer accounts serving more than 450,000 people. To continue reliably meeting increasing water demands for public health and safety reasons, the Department of Utilities developed an aggressive Water Facility Expansion Program that has modified and expanded both City water treatment plants and intake structures. The program expanded the treatment and intake capacity of the Fairbairn WTP from 90 million gallons per day (mgd) to 200 mgd and expanded the treatment and intake capacity of its Sacramento River WTP from 110 mgd to 160 mgd. The E.A. Fairbairn WTP Expansion Project is the final project of the water facility projects completed by the City over the past two years. The water facility projects consisted of the following:

- Sacramento River WTP Replacement Intake Project (ZF57) with a final construction cost of \$37.0 million, Project was completed January 2004.
- Sacramento River WTP Expansion Project (ZF52) with a final construction cost of \$97.8 million, Project was completed May 2004.
- E.A. Fairbairn WTP Intake Structure Modification Project (ZF47) with a final construction cost of \$12.4 million. Project was completed May 2003.
- E.A. Fairbairn WTP Expansion Project (ZF43) with a proposed final construction cost of \$66.4 million. Expected completion date is December 2005.

Change Order No. 30 will be the final compensation for construction costs associated with completing the project. Due to security issues and miscellaneous operations and maintenance upgrades, unexpected costs were incurred. The change order addresses security improvements that include added/improved fencing, gates, landscaping, and paving within the plant site and additional cost for civil, structural, mechanical, and electrical improvements that will aid in the operation and maintenance of the plant. The City and Balfour Beatty Construction, Inc negotiated the final change order for \$1,593,009 and this will complete the project with a total change order amount of \$4,550,819, resulting in an 8.6% change order rate.

The total cost of the Water Facility Expansion Program, including this final change order is \$223.1 million and the original budget was \$224.0 million. The overall program will be completed under budget.

Financial Considerations:

The total construction cost of the E.A. Fairbairn WTP Expansion Project (ZF43) including control system equipment and programming, contract management and inspection is \$66,500,792. The current budget for this project is \$64,800,465, which is insufficient to complete this project. Therefore a transfer in the amount of \$1,700,327 to the E.A. Fairbairn WTP Expansion Project (PN: ZF43, fund 413) is necessary from the following sources:

- 1) Water Fund Debt Service 2001 CIRB Series A (Org 7284, fund 413) debt reduction in the amount of \$950,327 from savings realized from the refunding of the Water Supply Program 2005 Refunding Revenue Bonds.
- 2) Howe Avenue Project (PN: ZI56, fund 413) in the amount of \$400,000, which has an unobligated balance of \$426,519 as of November 15, 2005.
- 3) 12th Street RS Main Replacement Project (PN: ZK76, fund 413) in the amount of \$350,000, which has an unobligated balance of \$1,797,855 as of November 15, 2005.

Environmental Considerations:

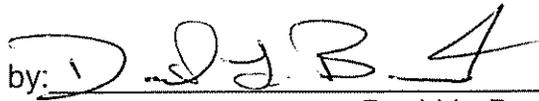
A Draft Environmental Impact Report for the City's water facilities expansion projects including the expansion of the E.A. Fairbairn WTP was prepared and circulated consistent with the California Environmental Quality Act. A Final Environmental Impact Report, Findings of Fact, and Mitigation, Monitoring, and Reporting Plan were adopted by the City Council on November 28, 2000. A Notice of Determination was filed with the Sacramento County Clerk/Recorder on November 28, 2000.

Policy Considerations:

The Water Facilities Expansion Projects through expansion of water treatment capacities of the E.A. Fairbairn and the Sacramento River Water Treatment Plants is consistent with the City's General Plan and Sacramento Area Water Forum commitments. In approving Change Order No. 30 for the E.A. Fairbairn WTP Expansion Project the action is consistent with Chapter 58, Article IV, Section 58.602 of the City Code concerning change orders.

Emerging Small Business Development (ESBD):

Due to the nature of the E.A. Fairbairn WTP Expansion Project, an emerging small business (ESB) goal of 15 percent was originally established for the Project. The low bidding contractor, Balfour Beatty provided an actual final ESB participation of 19.02 percent, which exceeded the original goal.

Respectfully Submitted by: 
David L. Brent
Engineering Manager

Approved by: 
Gary A. Reents
Director of Utilities

Recommendation Approved:


ROBERT P. THOMAS
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

RESOLUTION APPROVING THE TRANSFER OF FUNDS AND CONTRACT CHANGE ORDER NO. 30 FOR THE E.A. FAIRBAIRN WATER TREATMENT PLANT EXPANSION PROJECT (ZF43)

BACKGROUND

In April 2002 the City Council awarded a construction contract to Balfour Beatty Construction, Inc for an amount of \$53,150,235 to expand and modify the existing E.A. Fairbairn Water Treatment Plant (FWTP). The final change order includes security and miscellaneous improvements in order to complete the project. The City negotiated with Balfour Beatty on Change Order No. 30 for a total amount of \$1,593,009.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is hereby authorized to sign and execute contract Change Order No. 30 with Balfour Beatty Construction, Inc., in the amount of \$1,593,009 for the E.A. Fairbairn Water Treatment Plant Expansion Project (PN: ZF43, fund 413).

- Section 2. The City Manager is authorized to transfer funds in the amount of \$400,000 from the Howe Avenue Project (PN: ZI56, fund 413), \$350,000 from the 12th Street RS Main Replacement Project (PN: ZK76, fund 413), and \$950,327 from the Water Fund Debt Service 2001 CIRB Series A (Org 7284, fund 413) for a total transfer amount of \$1,700,327 to the E.A. Fairbairn WTP Expansion Project (PN: ZF43, fund 413).