

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETINGS

MEETING DATE(S): AUGUST 15 & 19, 2024

FROM: ERIC WECK, P.E., ENGINEERING MANAGER

FOR: ACTION X DIRECTION _____ INFORMATION _____



APPROVE CONTRACT AMENDMENT NO. 3 WITH YELLOW JACKET DRILLING SERVICES, LLC FOR THE CONSTRUCTION OF MONITORING WELL NO. 2

STAFF RECOMMENDATION

Authorize the General Manager to approve Contract Amendment No. 3 with Yellow Jacket Drilling Services, LLC in the amount of \$27,645 for the construction of the Monitoring Well No. 2 for the Regional Water Reclamation Facility and to do all things necessary to complete the project. The construction amendment would increase the contract amount \$27,645, from \$202,785 to \$230,430.

SUMMARY

As part of the Nancy Wright Regional Water Reclamation Facility (NWRWRF) waste discharge requirements permit (Order R7-2020-0011) with the California Regional Water Quality Control Board (Regional Board), MSWD is required to install a groundwater monitoring well network to monitor changes to groundwater quality as a result of the proposed NWRWRF discharges. MSWD completed construction for two of the three required monitoring wells in 2022. Construction of the third monitoring well was put on hold due to the Regional Water Board direction relocated the well further downgradient. Following an easement acquisition process, staff initiated resuming construction. Staff completed a site visit with the contractor in May to assess site conditions. Subsequently, the contractor provided a change order request to complete the work. However, the change order is above the approved contingency amount; as such, a contract amendment is required to complete the work. Contract Amendments 1 and 2 were previously approved no cost time extensions.

FINANCIAL DATA		
Cost Associated with this action:	\$27,645	
Current FY cost:	\$50,787,969	
Future FY cost:	\$0	
Is it covered in current year budget:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Budget adjustment needed:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If yes, year needed:		
All previous contracts including dates, amounts and board approvals are attached or have been made available.		
FUNDING SOURCES		
Source of funds:	Wastewater/SRF Grant	
BID/Job#	11424	
Current BID/Job balance	\$1,706,013	
Balance remaining if approved:	\$1,678,368	

ANALYSIS

Since March 2022 when the Regional Board first requested that Monitoring Well No. 2 be relocated, there has been a significant increase in the cost of materials and labor. As such, the contractor has provided an itemized cost increase for each bid item to cover current costs. In addition, the contractor is required to re-mobilize to the site to complete the construction. The itemized equipment and labor cost increase is \$27,645.00.

FISCAL IMPACT & STRATEGIC PLAN IMPLEMENTATION

The current project budget was amended in 2022 to \$53,049,300.00 to cover design and construction. The proposed increase in contingency will result in a capital improvement budget of \$53,094,300.00. This action is consistent with Strategic Plan Goal 2.1: Ensure excellence in regulatory compliance.

ATTACHMENTS

Contract Amendment No. 3 with cost proposal/backup from Yellow Jacket Drilling Services, LLC
Original Contract