



+Council Meeting: September 14, 2010

SUBJECT: Authorization to Modify an Existing Sunnyvale Works! Design Contract for the Sodium Bisulfite System at the Water Pollution Control Plant and Approval of Budget Modification No. 7 (F1009-23)

BACKGROUND

Approval is requested to modify an existing contract with RMC Water & Environment for design and construction support services for a Sodium Bisulfite Disinfection System at the Water Pollution Control Plant (WPCP) to increase the value by \$12,980 for additional construction support services and to add \$1,020 in contract contingency. Approval is also requested for Budget Modification No. 7 to provide an additional \$28,000 in funding for the project. The Budget Modification funds both the consulting contract increase and other project costs as more fully described below.

DISCUSSION

This Sunnyvale Works! project includes removal of the existing de-chlorination system at the WPCP, which utilizes a toxic gas in the process, and replacement with a safer sodium bisulfite-based system. The project includes associated modifications to the system, including mechanical, site work, electrical instrumentation, control wiring and programming. A contract for design and construction support related services was awarded to RMC Water & Environment in the amount of \$92,500 in December 2008 as a result of Request for Proposals (RFP) No. F0810-23. This contract was subsequently amended in October 2009 and increased to \$99,950 under the City Manager's award authority (the City requested additional design and bid package preparation services).

Subsequent to design completion, Council awarded the construction contract to Pacific Infrastructure Corporation of Pleasanton in the amount of \$455,400 on January 26, 2010 (RTC #10-019). At that time, the RTC identified an approximate balance of \$35,000 for construction support services from the design consultant, RMC Water & Environment. However, the construction contractor's numerous requests for information (RFI) and re-submittals, as well as additional assistance regarding specialized equipment and other related issues during construction have required more consultant resources than was anticipated. This has depleted the available contract amount for consultant services during construction.

The current RMC design and construction services contract is in the amount of \$99,950. A second amendment to the RMC contract to add \$12,980 will be necessary to review the additional submittals and RFIs, to provide record drawing documentation, and for coordination activities in the field. This will increase the total contract to \$112,930. A small contingency in the amount of \$1,020 is requested in the event additional submittals and RFIs are received.

A \$28,000 increase in project budget funding is necessary to cover the consulting contract increase and unanticipated expenses incurred for electrical work, staff time and other incidental project costs. The Budget Modification will provide sufficient funding to complete the project.

FISCAL IMPACT

The total additional cost required to complete the project is \$28,000, as previously described. There is currently approximately \$48,000 in remaining construction contingency. The budget modification preserves the construction contingency, in case it is needed, as the project continues. Staff recommends approval of Budget Modification No. 7 to appropriate funds from the Wastewater Management Fund Capital and Infrastructure Reserve to the project to complete the needed work.

**Budget Modification No. 7
Fiscal Year 2010/2011**

	Current	Increase (Decrease)	Revised
Wastewater Management Fund			
Expenditures:			
Project 827060 – Sulfur Dioxide Equipment Replacement	\$369,122	\$28,000	\$397,122
Reserves:			
Capital and Infrastructure Reserve	\$340,813	(\$28,000)	\$312,813

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

RECOMMENDATION

It is recommended that Council:

1. Modify an existing contract, in substantially the same form as the attached Second Amendment to RMC Water & Environment, to increase the contract value by \$12,980 to a total not-to-exceed amount of \$112,930;
2. Approve a contract contingency in the amount of \$1,020; and
3. Approve Budget Modification No. 7 to provide additional funding for this project.

Reviewed by: Grace K. Leung, Acting Director, Finance
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Marvin Rose, Director of Public Works

Approved by: Gary M. Luebbers
City Manager

Attachments

- A. Draft Second Amendment to Consultant Services Agreement

ATTACHMENT A

SECOND AMENDMENT TO CONSULTANT SERVICES AGREEMENT BETWEEN THE CITY OF SUNNYVALE AND RMC WATER AND ENVIRONMENT FOR DESIGN AND CONSTRUCTION SUPPORT SERVICES FOR SODIUM BISULFITE DISINFECTION SYSTEM

This Second Amendment to Consultant Services Agreement, dated _____, is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY") and RMC WATER AND ENVIRONMENT ("CONSULTANT").

WHEREAS, on December 16, 2008, CITY and CONSULTANT entered into a Consultant Services Agreement whereby CONSULTANT would provide design and construction support services for the project known as the Sodium Bisulfite Disinfection System at the Water Pollution Control Plant; and

WHEREAS, on October 21, 2009, CITY and CONSULTANT agreed to amend the Agreement to provide additional scope of work and increase the total value of the Agreement by \$7,450.00; and

WHEREAS, the parties now agree that a Second Amendment to said Agreement is advisable,

NOW, THEREFORE, THE PARTIES ENTER INTO THIS SECOND AMENDMENT TO CONSULTANT SERVICES AGREEMENT:

1. Replace Section 4 (Payment of Fees and Expenses) with the following:

Payments shall be made to CONSULTANT on a monthly basis as set forth in the attached Exhibit "B" entitled "Compensation Schedule" incorporated into the original Consultant Services Agreement. All compensation will be based on monthly billings as provided in Exhibit "B". Compensation will not be due until said detailed billing is submitted to CITY within a reasonable time before payment is expected to allow for normal CITY processing. An estimate of the percent of total completion associated with the various categories of the services shall be furnished by CONSULTANT with said billing. When applicable, copies of pertinent financial records will be included with the submission of billing(s) for all direct reimbursables. In no event shall the total amount of compensation payable under this agreement exceed the sum of One Hundred Twelve Thousand Nine Hundred Thirty and No/100 Dollars (\$112,930.00), which includes an additional \$12,980 as detailed in Exhibit B-1 attached hereto. All invoices, including detailed backup, shall be sent to City of Sunnyvale, attention Accounts Payable, P.O. Box 3707, Sunnyvale, CA 94088-3707.

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Second Agreement Amendment.

APPROVED AS TO FORM

CITY OF SUNNYVALE ("CITY")

By _____
City Attorney

By _____
City Manager

RMC WATER AND ENVIRONMENT
("CONSULTANT")

By _____
Name and Title



Sacramento
San Diego
San Francisco
San Jose
Santa Monica
Walnut Creek

August 3, 2010

Chuck Neumayer
City of Sunnyvale - Department of Public Works
456 West Olive Avenue
P.O. Box 3707
Sunnyvale, CA 94086

Subject: Additional Budget Request for the Sodium Bisulfite System Project

Dear Chuck:

The purpose of this letter is to request additional budget to complete construction support and engineering efforts on the Sodium Bisulfite System Project. Additional budget is needed to support the following activities.

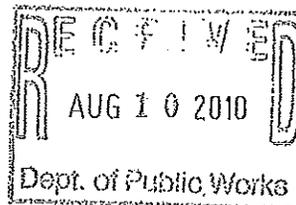
- Field engineering of replacement piping and routing of chemical piping (4 hours)
- Coordination with Siemens (supplier of water champ) on startup, testing, and training (12 hours)
- Record Drawing documentation (20 hours)
- Review of additional submittals (12 hours)
- Review and respond to additional RFIs (12 hours)

RMC estimates that about 60 hours of additional effort will be required to complete the project. The additional budget requested to complete these efforts is \$12,980.

Please know that RMC is committed to completing the Sodium Bisulfite System Project in an efficient manner. Please do not hesitate to contact me at (408) 240-8160 to discuss this effort.

Sincerely,

Marc Nakamoto
Project Manager



2290 North First Street
Suite 212
San Jose, CA 95131
ph: 408.240.8160
fax: 408.240.8161
www.rmcywater.com