



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 09/19/06

AGENDA ITEM 3

WORK SESSION ITEM _____

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Emergency Water System Intertie Project: Authorization for the City Manager to Execute Amendment to Professional Services Contract with Carollo Engineers

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution authorizing an amendment to the agreement with Carollo Engineers for the Emergency Water System Intertie Project.

BACKGROUND:

In September 2002, a feasibility study of a regional water system Intertie between Hayward, East Bay Municipal Utility District (EBMUD), and San Francisco Public Utilities Commission (SFPUC) was initiated. The study evaluated the viability of conveying potable water between the EBMUD and SFPUC systems using existing and proposed facilities in the City of Hayward in the event that a serious disruption in water supply capacity occurs. The study determined that the project was feasible and recommended construction of an intertie pump station with approximately 1.5 miles of pipeline to connect the two water systems in the City of Hayward.

The intertie project facilities are located primarily in Hayward. The pump station ("Skywest" Pump Station) is being constructed on Hayward Executive Airport property on an unoccupied parcel located at the southwest corner of Skywest Drive and Hesperian Boulevard. The 8,000-foot pipeline connecting the Skywest Pump Station and the EBMUD and SFPUC systems, is located along Golf Course Road, Skywest Drive and along Hesperian Boulevard on the Airport property, and ends at the southwest corner of West Winton Avenue and Hesperian Boulevard in the parking lot area of Toys-R-Us. Because most of the facilities needed for the project are located in Hayward, the City was the lead agency on the environmental review, the design, and construction.

DISCUSSION:

On April 8, 2003, City Council approved the project and authorized the City Manager to execute an agreement with Carollo Engineers for professional design and construction services. The agreement contains a not-to-exceed limit of \$1,565,000, for design and construction administration services. During the construction, several additional items of work have been identified as necessary. These items of work are summarized below:

- More shop drawing review and response to Request-for-Information (RFI) have been required due to the complexity of the project.
- Additional valve vault design at the pump station was necessary during construction and relocation of the 36" pipeline was required, due to minor changes in the pump station location.
- Staff determined it was necessary and appropriate to require a digital format for the O&M manual. This additional work item was not included in the initial contract scope.
- Because of the complexity of the project, the number of design drawings had increased from 60 sheets to 122, and the amount of effort for preparing the record drawings will be increased accordingly.

Carollo Engineers initially submitted a request for over \$100,000 to cover the extra work described above. In negotiations with City staff, this value was decreased to \$65,000, which better represents the level of effort and work that can be considered extra services.

Both SFPUC and EBMUD have agreed to the additional construction administration services funding. Therefore, Staff requests an increase of \$65,000 in the construction administration services. If this is approved, the entire contract with Carollo Engineers will be \$1,630,000. The action will not result in an increase in cost of this project to the City, as the funds will be repaid by SFPUC and EBMUD.

Project Cost:

Project Management and Administration (funded by City)	\$ 125,000
Professional Design and Construction Services	1,630,000
Construction Cost	13,173,235
Inspection and Construction Management Provided by City	547,000
PG&E and Other Services	<u>245,000</u>
Total (funded by SFPUC and EBMUD):	\$ 15,595,235

Funding:

The estimated cost of \$15.60 million for the intertie project is being fully funded by SFPUC and EBMUD. The City's contribution of \$125,000 has funded project management and other administrative support to manage the work. A total of \$15,667,000 has been appropriated for the Regional Water Intertie Facilities Project in the Regional Water Intertie Fund of the City's Capital Improvement Program. SFPUC and EBMUD have agreed to deposit advance funds, according to a specified schedule, to cover all but the City's contribution of the costs.

Schedule:

The following is an updated project schedule for this project:

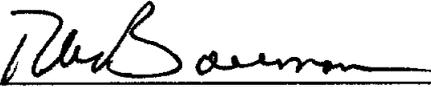
Award Construction Contract	December 21, 2004
Begin Construction	January 2005
Construction Completion	December 2006

Prepared by:



Alex Ameri, Deputy Director of Public Works

Recommended by:



Robert A. Bauman, Director of Public Works

Approved by:



Jesús Armas, City Manager

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 06-

Introduced by Council Member _____

**RESOLUTION AUTHORIZING THE CITY MANAGER
TO EXECUTE AN AMENDMENT TO AGREEMENT
WITH CARROLLO ENGINEERS FOR ADDITIONAL
CONSTRUCTION ADMINISTRATION SERVICES FOR
THE EMERGENCY WATER SYSTEM INTERTIE
PROJECT**

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to negotiate and execute on behalf of the City of Hayward an amendment to the agreement with Carollo Engineers for additional construction administrative services for the Emergency Water System Intertie Project, in an amount not to exceed \$65,000, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2006

ADOPTED BY THE FOLLOWING VOTE:

**AYES: COUNCIL MEMBERS:
MAYOR:**

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

**ATTEST: _____
City Clerk of the City of Hayward**

APPROVED AS TO FORM:

City Attorney of the City of Hayward