



Staff Report

TO: City Council
FROM: Thaxton Van Belle, Director of Water Reclamation
Kenyon Potter, Principal Engineer
DATE February 20, 2024
SUBJECT: Notice of Completion for Wastewater Treatment Plant Saltwater Mitigation Upgrade

Description Notice of Completion (NOC) for Wastewater Treatment Plant Saltwater Mitigation Upgrade CIP 2017-005, located at 715 W. 4th Street (Project).

Background and Analysis:

On October 2, 2018, City Council approved a Public Works agreement with W.M. Lyles Co. (Contractor), for construction services of the Wastewater Treatment Plant Saltwater Mitigation Upgrade (CIP 2017-005).

The Project upgraded and expanded the City's Wastewater Treatment Plant (WWTP) to meet new basin plan requirements for the total dissolved solids (TDS) reduction, as well as expanded to accommodate growth in the service area. The advanced treatment generates brine waste which is disposed of under a permit to discharge to the Inland Empire Brine Line (IEBL) and treated at the Orange County Sanitation District Treatment Plant.

The WWTP Salt Mitigation Upgrade Project was bid and awarded as a separate contract from the Brine Disposal Pipeline Project CIP 2017-006.

The budget for the Project was \$76,334,432 with an original construction contract amount of \$53,312,000. The project had an approved contingency of \$11,624,253. As previously reported to City Council, the project had 25 change orders totaling \$9,697,984.

On September 26, 2022, based on the Contractor having reached full completion of all work except for the replacement of the MBR membrane system associated with Contract Change Order No. 23, the City made a partial retention payment in the amount of \$2,743,739,18.

On October 31, 2022, the Contractor issued a notice to the City that Final Completion was achieved on October 24, 2022, following the acceptance testing of the MBR membrane system associated with Contract Change Order No. 23.

There is a final deductive change order in the amount of \$242,169.60 representing the unused portion of Contract Change Order No. 23. The change orders were funded from the project's construction contingency allocation, with the total modified contract amount of \$62,690,453.78.

Final billing for the Project is expected to be \$400,900 which represents the final retention payment.

The Contractor completed the Project's scope of work satisfactorily per plans and specifications, and a Notice of Completion (NOC) document has been provided (Attachment A).



Figure 1 – Aerial of WWTP



Figure 2 – WWTP Membrane Building



Figure 3 – WWTP Biosolids Processing Building

Fiscal Impact:

Construction cost for the Project was paid from the CIP 2017-005. The following table is a summary of the Project budget:

2017-05 Wastewater Treatment Plant Expansion Project Accounting Summary				
Funding Summary				
Funding Year	Funding Source		Amount	
16/17	Wastewater DIF		\$7,000,000	
16/17	Recycled Water DIF		\$3,101,052	
16/17	Bond Proceeds		\$57,134,135	
16/17	Pay-Go Funds		\$3,099,000	
16/17	Bond interest		\$1,186,624	
16/17	Wastewater DIF		\$4,813,376	
Total Project Funding =			\$76,334,187	
Budget Summary				
Project Component	Budget	Encumbered	Paid to Date	Remaining Budget
Design	\$2,697,943	\$2,968,503	\$2,651,853	(\$270,560)
Construction	\$53,910,737	\$53,910,737	\$54,201,969	0
Contingency	\$11,624,006	\$9,761,800	\$8,952,824	\$1,862,206
Construction Mgmt.	\$6,565,382	\$6,565,382	\$6,519,905	0
Permits	\$324,777	\$357,989	\$107,219	(\$33,212)
Equipment	\$252,906	\$428,935	\$425,854	(\$176,029)
Unallocated	\$958,436	\$0	\$0	\$958,436
Project Summary Totals	\$76,334,187	\$73,993,346	\$72,859,624	\$2,340,841

Included in the construction "Paid to Date" is an approximately \$400,900 retention payment that will be issued to the Contractor no later than 35 days after the recordation of the Notice of Completion.

Staff estimates the cost to prepare this report at \$400.

Recommended Action:

Authorize the Mayor to execute a Notice of Completion for the Wastewater Treatment Plant Salt Mitigation Project.

Attachments:

A. Notice of Completion for Wastewater Treatment Plant Salt Mitigation Project (2017-005).