

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY

DEPT: Environmental Resources

BOARD AGENDA #: \*B-1

AGENDA DATE: October 31, 2017

**SUBJECT:**

Approval of Contract Change Orders and to Increase the Construction Contract with Innovative Construction Solutions of Santa Ana, California, for Construction of the Groundwater Extraction and Treatment System, and Slope and Cover Repair Work at the Geer Road Landfill

**BOARD ACTION AS FOLLOWS:**

No. 2017-604

On motion of Supervisor DeMartini , Seconded by Supervisor Monteith  
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None


1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

ATTEST:   
ELIZABETH A. KING, Clerk of the Board of Supervisors

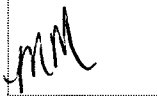
File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Environmental Resources  
Urgent  Routine

BOARD AGENDA #: \*B-1

AGENDA DATE: October 31, 2017



CEO CONCURRENCE: 

4/5 Vote Required: Yes  No

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**STAFF RECOMMENDATIONS:**

1. Approve contract change order numbers 9 through 12 and increase of the construction contract with Innovative Construction Solutions by \$97,758, for construction of the Groundwater Extraction and Treatment System, and slope and cover repair work at the Geer Road Landfill.

**DISCUSSION:**

The Geer Road Landfill (Landfill) in Modesto, California, is owned jointly by Stanislaus County (County) and the City of Modesto and is managed by the Department of Environmental Resources. The Landfill was in operation from 1970 to 1990, providing disposal needs for the unincorporated County, the City of Modesto, as well as the other eight local cities.

On July 25, 2017, the Board of Supervisors approved awarding a construction contract to Innovative Construction Solutions (ICS) for the Geer Road Landfill Groundwater Extraction and Treatment System (GWETS) construction project in the amount of \$1,742,881, with a 10% contingency of \$174,288, for a total not to exceed amount of \$1,917,169. ICS is currently on site completing this project. Contract change orders 1-8 on the GWETS project were performed within the Board approved contingency amount and total \$156,693. Additional contract change orders were required to complete a new off-site monitoring well that the Regional Water Quality Control Board (RWQCB) required. Additionally, the RWQCB required moving the groundwater infiltration system, which resulted in the need to install an additional monitoring well and piezometer well onsite, and make changes to the electrical system. These conditions could not have been reasonably foreseen at the time of contract award. These increases became change orders 9, 10, and 11, and total \$63,293, which is \$45,698 above the original budgeted contingency amount.

Normally, changes in the project that exceed ten percent of the contract price require competitive bidding. In this case, however, grounds exist for an exception to the competitive bidding requirement and for the Board to approve the change orders. In *Graydon v. Pasadena Redevelopment Agency* (1980) 104 Cal. App.3d 631, the Court ruled that where competitive proposals do not produce an advantage, competitive bidding is not applicable. For the following reasons, staff concludes that competitive proposals for the project changes in this instance do

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not produce any public advantage, and that it is in the County's and public's best interest to negotiate change orders with the existing contractor on the project rather than competitively bid the project changes:

1. ICS is already mobilized and on site doing the GWETS project construction and it would be more costly to approve plans and specifications, advertise and solicit bids for the changes to the work being performed by ICS. In addition, ICS already has knowledge and experience with site conditions on the project.
2. The delay associated with advertising and bidding for completion of project changes would jeopardize finishing the project in time to meet the construction deadlines imposed by the RWQCB.
3. Competitive bidding requires award to the lowest responsible bidder. This could result in multiple contractors working on the same project at the same time that would cause conflicts and difficult in apportioning responsibility for contract issues, such as liability, completion dates and performance.

Separate from the GWETS project, the RWQCB also has identified some repair work that needs to be done to the final cover at the Landfill, including repair of depressions on some of the side slopes and top deck. Specifically, correspondence received from the RWQCB in April 2017 required that a work plan for completing this work be submitted by July 31, 2017. An approval letter from the RWQCB was received on September 6, 2017, and the work must be completed in time for inclusion in the site's winterization report which is due by November 15, 2017. Due to the timing of obtaining RWQCB approval for this work, insufficient time remains to complete the standard bidding process while meeting the RWQCB deadline.

The County requested that ICS provide a quote for this work which would include a discount for mobilization cost since ICS is already onsite. ICS has provided a quote of \$52,060, which includes an avoided mobilization cost savings of \$4,000. This job requires the use of several heavy duty pieces of equipment including a dozer, loader, backhoe, push cat, compactor, and water truck. ICS has most of these items already available on site, which gives them the ability to significantly lower the mobilization cost. If the County were to go with a different contractor to perform this work, the County would not receive the potential \$4,000 reduction of cost for mobilization, thus resulting in the County paying the estimated full cost of \$7,000 for this task. Mobilization can cost anywhere from 7%-20% of the overall contract price.

Normally the slope and cover repair work would be bid out separately from the GWETS Project, however, the Department believes that due to the cost savings of having the current contractor on site perform this work, in this particular case competitive bidding would not be useful, or would not produce a public advantage, and thus would be undesirable. For the above stated reasons, the Department is recommending this work be done as change order number 12 to the current GWETS project.

The total dollar amount for contract change orders 9 through 12 totals \$115,353, which results in an increase of \$97,758 over the amount originally budgeted for the project. An itemized list of all contract change orders are listed on the attachment.

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**POLICY ISSUE:**

The Board previously authorized the Director of Environmental Resources to approve project change orders in accordance with Public Contract Code, Section 20142. The amount of the change orders for this project exceeds the statutory authorization provided under Section 20142, and, therefore, these changes require approval by the Board of Supervisors.

**FISCAL IMPACT:**

<b>Cost of recommended action:</b>		\$ 97,758
<b>Source(s) of Funding:</b>		
Geer Road Landfill Closure Fund Balance	\$ 97,758	
<b>Funding Total:</b>		\$ 97,758
<b>Net Cost to County General Fund</b>		<u>\$ -</u>

<b>Fiscal Year:</b>	2017-2018
<b>Budget Adjustment/Appropriations needed:</b>	No

<b>Fund Balance as of September 30, 2017:</b>	
Geer Road Landfill Closure Fund	\$ 3,829,746

**BOARD OF SUPERVISORS' PRIORITY:**

The recommended actions are consistent with the Board's priorities of A Safe Community, A Healthy Community, A Well Planned Infrastructure System, and the Efficient Delivery of Public Services. Landfill services are critical to supporting the Department's mission to promote a safe and healthy environment and improve the quality of life in the community through a balance of science, education, partnerships and environmental regulation.

**STAFFING IMPACT:**

Existing staff will oversee the work related to this Agreement.

**CONTACT PERSON:**

Jami Aggers, Director of Environmental Resources Telephone: 209-525-6770

**ATTACHMENT(S):**

- A. Final Project Accounting: Innovative Construction Solutions

**FINAL PROJECT ACCOUNTING: CONSTRUCTION ONLY**

<b>ORIGINAL CONTRACT PRICE</b>		=	<b>\$1,742,881</b>
<b>ORIGINAL CONTINGENCY AUTHORIZED BY THE BOS</b>		=	<b>\$174,288</b>
			<b>SUBTOTAL = \$1,917,169</b>
<b><u>CONTRACT CHANGES</u></b>			
<b>ORIGINAL CONTRACT PRICE:.....</b>		=	<b>\$1,742,881</b>
<b>CHANGE ORDERS WITHIN THE BOARD APPROVED BUDGETED 10% CONTINGENCY</b>			
CHANGE ORDER # 1	Obtain Encroachment Permit, Building Permit, and Re-Mobilize Drill Rig. The Costs include an Erosion and Sediment Control Plan, a Traffic Control Plan, Traffic Control, Permit Fees, Office Support, and Re-Mobilization of the Drill Rig.	=	\$27,750
CHANGE ORDER # 2	Moving Remediation System - Includes a credit for the heat dissipation vault and charges for the increased header pipe size and tree removal activities. The costs do not include vapor mitigation liner for the treatment system compound	=	\$(4,397)
CHANGE ORDER # 3	Changes to the electrical system per the revised drawings received on 9/24/17.	=	\$19,650
CHANGE ORDER # 4	Earthwork for moving well pad	=	\$798
CHANGE ORDER # 5	Allowance for additional well development - Estimate based on 97 hours	=	\$39,964
CHANGE ORDER # 6	Allowance for additional monitoring well and piezometer development - Estimate based on 85 hours	=	\$35,360
CHANGE ORDER # 7	Credit for 88 hours at reduced rate.	=	\$(3,652)
CHANGE ORDER # 8	Allowance for additional water truck and operator - Estimate based on 180 hours	=	\$41,220
<b>TOTAL ORIGINAL CHANGE ORDERS</b>			<b>\$156,693</b>
<b>CHANGE ORDERS FOR ADDED ITEMS REQUESTED BY THE WATER BOARD (THOSE ITEMS DISCUSSED IN THE BOARD REPORT, WHICH NEED BOARD APPROVAL)</b>			
CHANGE ORDER # 9	Additional charge for Methane System - Includes credit for AC unit and insulation	=	\$29,869
CHANGE ORDER # 10	Installation of Additional Well - Estimated 50' deep well. The actual cost will be based on completed well depth.	=	\$30,844
CHANGE ORDER # 11	Additional 40 feet of piezometer drilling due to system relocation in response to RWQCB request.	=	\$2,580
CHANGE ORDER # 12	Cover / Slope Repairs per Tetra Tech Work Plan (Includes \$4,000 mobilization credit for existing on-site presence)	=	\$52,060
<b>TOTAL ADDED ITEMS</b>			<b>\$115,353</b>
<b>SUBTOTAL CONTRACT CHANGE ORDERS # 1-12</b>		=	<b>\$272,046</b>
<b>LESS ORIGINAL BUDGETED 10% CONTINGENCY</b>		=	<b>\$174,288</b>
<b>ADDITIONAL FUNDS REQUIRED TO COMPLETE PROJECT</b>		=	<b>\$97,758</b>