



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Stufflebean

**SUBJECT:** SEE BELOW

**DATE:** 07-23-07

Approved

Date

7/27/07

**COUNCIL DISTRICTS:** 3, 8  
**SNI AREA:** Spartan Keyes

**SUBJECT: SOUTH BAY WATER RECYCLING PROGRAM, SJ-14 PUMP STATIONS 5 & 8/11 RELIABILITY PROJECT**

## RECOMMENDATION

Approval of a contract time extension of 280 calendar days with Anderson Pacific Construction, Inc., for the South Bay Water Recycling Program, SJ-14 Pump Stations 5 & 8/11 Reliability Project, at no additional cost to the City.

## OUTCOME

Approval of the time extension will allow the contractor to complete installation of emergency generators, including all start-up testing, which will improve recycled water system reliability and provide a reliable source of water to the system customers.

## BACKGROUND

On June 19, 2001, Council adopted the South Bay Water Recycling (SBWR) Phase 2 Expansion Program that included extension of additional recycled water pipelines and infrastructure improvements to increase the reliability of the system. The recycled water system has four major pump stations: Transmission Pump Station (TPS) located at the Water Pollution Control Plant, Pump Station 5 located on Keyes Street at 12<sup>th</sup> Street, and Pump Stations 8 and 11 co-located on Yerba Buena Avenue at Baronet Court.

TPS serves customers in Pressure Zone 1, which includes the Cities of Santa Clara, Milpitas, and the downtown area of San José. Pump Stations 5 and 8 serve Pressure Zone 2, which includes customers along the Senter Road corridor in central San José, and Pump Station 11 serves customers in the Evergreen, Edenvale, and Coyote areas. Power failures at Pump Stations 5 and 8/11 have resulted in disruption of recycled water deliveries to system customers. In addition, Pump Station 8/11 is an open-air facility, which has subjected the pumps and electrical

equipment to accelerated deterioration due to adverse impacts of weather, reducing their reliability.

The SBWR, SJ-14 Pump Stations 5 & 8/11 Reliability Project will increase the operational reliability of the two pumping stations. Two emergency generators: a 2-Megawatt (MW) located at Pump Station 8/11 and a 750-Kilowatt (KW) located Pump Station 5 will increase the reliability of the two pump stations during periods of PG&E power failures. Construction of an enclosure including air handling facility over the pumps and electrical equipment at Pump Station 8/11 will reduce the effect of weather and will increase the operational reliability. Minor piping and drainage modifications and landscape work have been added to the project to improve the operation of the facility.

### **ANALYSIS**

Prior to project bid advertisement, the equipment manufacturer's indicated lead time to produce the generators was approximately 16 weeks. Subsequent to bid submittals, Anderson Pacific Engineering Construction Inc. was notified by the generator manufacturer that several large orders from other organizations had been received, extending lead times to approximately 48 weeks. This information was brought to the attention of City staff and confirmed by the engineering design consultant. Scheduled delivery for the generators is now February 2008. It is estimated that three months will be required, once the generators have been received, for installation and complete start-up testing. Although approval of this contract extension will delay the completion of the project to May 2008, in the event of a PG&E power failure, the recycled water system will continue to have a limited ability to provide a reliable supply of water to the system customers until generators are installed. Anderson Pacific has agreed that no additional costs will be incurred by the City to extend the contract time.

Staff has concluded that the change order to extend the contract time is reasonable and acceptable. Accordingly, staff recommends extending the contract by an additional 280 calendar days.

### **EVALUATION AND FOLLOW-UP**

Installation of emergency generators will assist the operation of a recycled water system, which reduces effluent to the Bay, during PG&E power failures and provides a reliable and high quality alternative water supply. With approval of the contract extension, the project will be scheduled to complete in May 2008. No additional follow up action with the Council is expected at this time.

### **POLICY ALTERNATIVES**

**Alternative 1:** Not extend the contract time and cancel generator order.

**Pros:** Remaining work items would be completed.

**Cons:** Continued system unreliability during PG&E power failures.

**Reason for not recommending:** Service disruptions would continue to negatively affect customers.

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**Alternative 2:** Not extend the contract time; bid new project to purchase and install generators.

**Pros:** Complete remaining portion of project on schedule.

**Cons:** Increased costs to the City and continued service disruptions.

**Reason for not recommending:** A higher cost option with continued risk of service disruptions that would negatively affect customers.

**PUBLIC OUTREACH/INTEREST**

Although the criterion below does not apply to this item, this memorandum will be posted on the City’s website for the Council Agenda of August 14, 2007

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

**COORDINATION**

This project has been coordinated with the City Attorney’s Office and the City Manager’s Budget Office. This item is scheduled to be heard at the August 9, 2007, meeting of the Treatment Plant Advisory Committee (TPAC).

**BUDGET REFERENCE**

| Fund #   | Appn # | Appn. Name                  | RC #   | Total Appn.       | Amt. for Contract | Adopted Budget Page | Last Budget Action (Date, Ord. No.) |
|--|--------|-----------------------------|--------|-------------------|-------------------|---------------------|-------------------------------------|
| <b>Remaining Project Costs</b>                   |        |                             |        |                   |                   |                     |                                     |
| <b>Current Funding Available</b>                 |        |                             |        |                   |                   |                     |                                     |
| 512  | 6589   | Revised SBAP-SBWR Extension | 132965 | 15,051,609        | 3,736,200*        | V-136               | 6/19/2007                           |
| <b>Total Current Funding Available</b>           |        |                             |        | <b>15,051,609</b> | <b>3,736,200</b>  |                     |                                     |
| <b>Total Funding for Remaining Project Costs</b> |        |                             |        | <b>15,051,609</b> | <b>3,736,200</b>  |                     |                                     |

\* Contracted amount has been encumbered and no additional funding is recommended.

HONORABLE MAYOR AND CITY COUNCIL

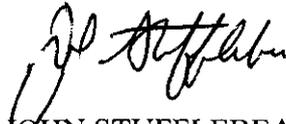
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**CEQA**

CEQA: Exempt, File No. SP04-054 (Station 5) and PD04-068 (Station 8/11)



JOHN STUFFLEBEAN

Director, Environmental Services

For questions please contact Bob Wilson, Acting Division Manager, at (408) 277-3671.