



MEMORANDUM

TO: CITY COUNCIL

FROM: GEOFF ENGLISH, PUBLIC WORKS DIRECTOR

BY: MIKE LINN, ASSISTANT CITY ENGINEER ^{ML}

SUBJECT: CONSIDERATION OF AN AWARD OF CONTRACT TO CALPORTLAND CONSTRUCTION FOR THE NORTH RENA SEWER RELOCATION PROJECT, PW 2014-06

DATE: FEBRUARY 25, 2014

RECOMMENDATION:

It is recommended the City Council:

1. Award a contract for the North Rena Sewer Relocation Project to CalPortland Construction in the amount of \$78,119;
2. Authorize the City Manager to approve change orders for 10% of the contract amount, \$7,812 for unanticipated costs during the construction phase of the project (total construction costs = \$78,119 + \$7,812 = \$85,931);
3. Appropriate \$44,000 from the Sewer Fund for the project; and
4. Direct the City Clerk to file a Notice of Exemption.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The project budget currently includes \$66,000 for the subject project. The lowest responsive bid of \$78,119 exceeds the Engineer's Estimate of \$56,000. Staff estimates the project costs as follows:

Design (Consultant)	\$8,245
Construction	\$78,119
Construction Contingencies (10%)	\$7,812
Contract Administration (~5%)	\$3,900
Inspection Services (~5%)	\$3,900
<hr/> Projected Total	<hr/> \$101,976

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Staff is requesting the authorization to allocate an additional \$44,000 from the Sewer Fund to cover the additional projected expenses. Staff does not anticipate using this full amount and funds not used for potential cost over-runs will be returned to the Sewer Fund.

BACKGROUND:

The Police Station Remodel Project was advertised to bid on March 4, 2014. During the design phase, it was discovered that an existing sewer main is sited adjacent to the south side of the existing Police Station, directly in the new footprint for the Police Station Remodel Project. To avoid future maintenance issues, relocation of the existing sewer main was determined to be necessary prior to the Police Station construction. Water Systems Consulting (WSC), was contracted to prepare the design. WSC completed the design and the Engineering Division administered the advertisement and collection of construction bids.

The scope of work involves the abandonment of the existing sewer line at North Rena Street. A new 8" PVC sewer main will then be constructed southward along North Rena to connect to an existing sewer main on East Grand Avenue. The work also includes connection of Police Station sewer laterals, associated manholes and appurtenances, and asphalt trench patching.

ANALYSIS OF ISSUES:

On February 11, 2014, ten bids were opened for the North Rena Sewer Relocation Project. The lowest bid, from CalPortland Construction, was in the amount of \$78,119.

Staff has determined the bid to be responsive and recommends the award of a construction contract to CalPortland Construction in the amount of \$78,119. The contract time is 30 calendar days and all work must be complete before the mobilization of the Police Station Remodel contractor. Work is expected to begin in mid-March and complete by mid-April.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve staff's recommendations to award a construction contract to CalPortland Construction, Inc. for the North Rena Sewer Relocation Project and allocate an additional \$44,000 from the Sewer Fund towards the project budget;
2. Do not award a construction contract for the project; or
3. Provide direction to staff.

ADVANTAGES:

Construction of a permanent structure over a live sewer utility is always discouraged as it complicates future maintenance and repairs in the event of failure. Relocation of the sewer main will eliminate this concern. It will also provide new sewer infrastructure at Rena Street.

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DISADVANTAGES:

There construction timeline is tight and all work must be complete prior to mobilization of the Police Station Remodel contractor to avoid any delays to the project.

ENVIRONMENTAL REVIEW:

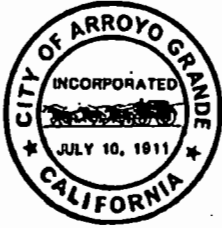
The project is categorically exempt from CEQA pursuant to Section 15301(b).

PUBLIC NOTIFICATION AND COMMENTS:

The agenda was posted at City Hall on Thursday, February 20, 2014. The agenda and staff report was posted on the City's website on Friday, February 21, 2014. No public comments were received as of the time of preparation of this report.

Attachment:

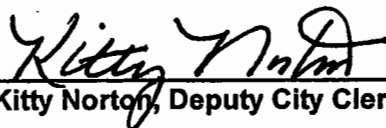
1. Bid Tabulations
2. Notice of Exemption



**BID OPENING LOG SHEET
CITY OF ARROYO GRANDE**

**DEADLINE: FEBRUARY 11, 2014 - 2:00 PM
N. RENA STREET SEWER RELOCATION PROJECT - #2014-06
ENGINEER'S ESTIMATE \$56,000**

<u>SUBMITTED BY:</u>	<u>TOTAL</u>
Butch Pope Construction Arroyo Grande, CA	\$113,829.00
R. Baker, Inc. Arroyo Grande, CA	\$107,846.00
Cooks and Son, Inc. Santa Maria, CA	\$79,598.00
D-Kal Engineering, Inc. San Luis Obispo, CA	\$116,209.00
R. Burke Corporation San Luis Obispo, CA	\$132,373.00
CalPortland Construction Santa Maria, CA	\$78,118.60
John Madonna Construction Co. Inc. San Luis Obispo, CA	\$123,561.00
Dechance Construction Co., Inc. Arroyo Grande, CA	\$108,070.00
Crandall Construction Nipomo, CA	\$106,020.00
Pacific Coast Excavation, Inc. Santa Maria, CA	\$107,082.00


Kitty Norton, Deputy City Clerk

c: Director of Community Development
Assistant City Engineer
City Manager

Notice of Exemption

To: Office of Planning and Research
1440 Tenth Street, Room 121
Sacramento, CA 95814

From: (Public Agency) City of Arroyo Grande
300 East Branch Street
Arroyo Grande, CA 93420

County Clerk
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

Project Title: North Rena Sewer Relocation Project, PW 2014-06

Project Location - Specific: North Rena Street, between Bennett Street and East Grand Avenue

Project Location - City: Arroyo Grande Project Location - County: San Luis Obispo

Description of Project: Install 380 LF of 8" PVC sewer main, manholes, connection of sewer laterals and abandonment of an existing sewer main along North Rena Street.

Name of Public Agency Approving Project: City of Arroyo Grande - Public Works Department

Name of Person or Agency Carrying Out Project: Geoff English

Exempt Status: (check one)

- Ministerial (Section 12080(b)(1); 15268);
Declared Emergency (Sec. 21080(b)(3); 15269(a));
Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
Categorical Exemption. State type and section number: Section 15301(b)
Statutory Exemptions. State code number:

Reasons Why Project Is Exempt: The existing sewer main is within the footprint of a planned Police Building Addition. The City is relocating the main to avoid the conflict and enable future maintenance.

Lead Agency

Contact Person: Michael Linn, P.E. Area Code/Telephone/Extension: (805) 473-5444

If filed by Applicant:

- 1. Attach a certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Geoff English
Public Works Director Date:

- Signed by Lead Agency Date received for filing at OPR:
Signed by Applicant

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