



## MEMORANDUM

**TO:** CITY COUNCIL

**FROM:** BILL ROBESON, PUBLIC WORKS DIRECTOR

**BY:** JILL MCPEEK, CAPITAL IMPROVEMENT PROJECT MANAGER  
SHANE TAYLOR, UTILITIES MANAGER

**SUBJECT:** CONSIDERATION OF AN AWARD OF CONTRACT TO LYLES UTILITY CONSTRUCTION, LLC FOR THE LIFT STATION NO. 1 FORCE MAIN REPLACEMENT PROJECT, PW 2017-07

**DATE:** MAY 14, 2019

### SUMMARY OF ACTION:

Award of a construction contract to replace the Lift Station No. 1 force main, a major component of the City's sewer system. Work is anticipated from July to November 2019.

### IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The FY 2018/19 and 2019/20 Capital Improvement Program Budget includes an allocation of \$1,164,880 for the design, inspection, construction, and contingencies of the subject project. It is proposed that the project be funded as follows. Staff time will be necessary to coordinate construction activities with the contractor and construction management consultants.

#### REVENUE

Developer Contribution	\$ 41,180
Sewer Fund	602,400
Sewer Facility Fund	521,300
Return to Sewer Fund Balance	- 105,040
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<b>TOTAL REVENUE</b>	<b>\$ 954,800</b>

#### EXPENDITURES

Construction and Contingencies	\$ 708,710
Construction Mgt, Inspection, Advertisement	138,110
Preliminary Study, Design, Survey	107,980
<b>TOTAL EXPENDITURES</b>	<b>\$ 954,800</b>

### RECOMMENDATION:

It is recommended the City Council: 1) Award a contract for the Lift Station No. 1 Force Main Replacement Project to Lyles Utility Construction, LLC in the amount of \$644,281.60; and 2) Authorize the City Manager to approve change orders for 10% of the contract amount, \$64,428.16, for unanticipated costs during the construction phase of the project (total construction costs = \$644,281.60 + \$64,428.16 = \$708,709.76).

**CITY COUNCIL  
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**BACKGROUND:**

On March 12, 2019, the Council approved construction plans and specifications for the Lift Station No. 1 Force Main Replacement project. The project scope of work consists of the installation of approximate 3,500 linear feet of 8-inch sewer force main pipe along West Branch Street between Oak Park Boulevard and Brisco Road using horizontal directional drilling (HDD) techniques.

**ANALYSIS OF ISSUES:**

On April 23, 2019, four bids were received for the Lift Station No. 1 Force Main Replacement project. The specifications state that the lowest bidder will be determined using the base bid. The lowest base bid, from Lyles Utility Construction, LLC was in the amount of \$644,281.60. The Engineer's Estimate was \$735,000. The bid has been determined to be responsive and Lyles Utility Construction, LLC to be a responsible bidder.

The contract time is 90 working days. It is anticipated work will be completed from July to November 2019.

**ALTERNATIVES:**

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

1. Approve recommendations as proposed;
2. Do not approve recommendations and request further information;
3. Modify recommendations and approve; or
4. Provide direction to staff.

**ADVANTAGES:**

The force main replacement will help eliminate the probability of more frequent breaks in the future and greatly reduces the risk for the potential of substantial fines that can be imposed as a result of these breaks. HDD will help minimize traffic impacts during construction, in particular around the Five Cities Center area. The project abandons the current crossing under Highway 101 which will eliminate potential liability should there be a break or a failure if the force main were to remain under Highway 101. The project is consistent with the City Council goal to support City infrastructure.

**DISADVANTAGES:**

There will be traffic inconveniences to the travelling public during construction. Staff will monitor the traffic control to conform to the requirements of the Municipal Uniform Traffic Control Devices manual (MUTCD) to mitigate any negative effects. City inspectors will be at the site during construction to make adjustments for any isolated instances. In addition, City staff and the construction manager for the project will notify and coordinate with adjacent businesses and residents along the proposed force main route to ensure they are notified in advance of upcoming activities.

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**ENVIRONMENTAL REVIEW:**

The project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15301(b) covering the repair and maintenance of existing facilities of publicly-owned utilities used to provide sewerage.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachment:

1. Bid Opening Log Sheet



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

**DEADLINE: TUESDAY, APRIL 23, 2019 – 3:00 PM  
PROJECT NAME: LIFT STATION NO. 1 FORCE MAIN REPLACEMENT  
PROJECT NO.: PW-2017-07  
ESTIMATED CONSTRUCTION COST: \$735,000**

<u><b>SUBMITTED BY:</b></u>	<u><b>BID TOTAL:</b></u>
1. <b>Cedro Construction Santa Paula, CA 93060</b>	<b>\$856,690.00</b>
2. <b>R. Baker, Inc. Oceano, CA 93445</b>	<b>\$1,037,626.00</b>
3. <b>Lyles Utility Company Bakersfield, CA 93308</b>	<b>\$644,281.60</b>
4. <b>Specialty Construction Inc. San Luis Obispo, CA 93401</b>	<b>\$655,555.00</b>

*Glenda Boner*

Glenda Boner, Administrative Secretary

C: Director of Public Works  
Capital Improvement Project Manager