

CITY OF YUBA CITY
STAFF REPORT

Date: October 6, 2009
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation by: George Musallam, Public Works Director

Summary

Subject: Walton Water Transmission Line Project (Award of Contract)

- Recommendation:**
- a. Award Contract No. 09-05, Walton Water Transmission Line Project, to Marques Pipeline, Inc., of Sacramento, CA in the amount of their bid of \$4,112,821.00, contingent upon the approval of the California Department of Public Health.
 - b. Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney.
 - c. Authorize the Finance Director to make necessary supplemental appropriations in the amount of \$4,691,829 for work performed under the Walton Water Transmission Line Project that is reimbursable through the State Revolving Fund Loan Program, to Account No. 941052 (Distribution System – Transmission Mains, Phase 1).
 - d. Authorize a budget transfer in the amount of \$654,839 from Account No. 971098 (Water Capitalization Fund) to Account No. 971052 (Distribution System – Transmission Mains, Phase 1) for work performed under the Walton Water Transmission Line Project that is ineligible for reimbursement through the State Revolving Fund loan program.

Fiscal Impact: \$4,691,829 – Account No. 941052 (Distribution System – Transmission Mains, Phase 1), fully funded by an SRF Loan and broken down as follows:

- \$3,517,513 – Account No. 941052-65501 (Construction)
- \$ 411,282 – Account No. 941052-65502 (Design/Engineering)
- \$ 411,282 – Account No. 941052-65503 (Const/Admin Cost)
- \$ 351,751 – Account No. 941052-65504 (Contingency)

\$654,839 – Account No. 971052 (Distribution System – Transmission Mains, Phase 1), fully funded by development impact fees and other City fees and broken down as follows:

- \$ 595,308 – Account No. 971052-65501 (Construction)
 - \$ 59,531 – Account No. 971052-65504 (Contingency)
-

Background:

The Walton Water Transmission Line project consists of extending an existing water transmission main in B Street from Cooper Avenue to Clark Avenue, Clark Avenue/Bunce Road from B Street to Lincoln Road, Lincoln Road from Eastcrest Court to Ohleyer Road, and then south along an extension of Ohleyer Road to a proposed water storage tank. Refer to Exhibit A. This new water transmission main will help facilitate a conversion of the Yuba City Hillcrest Water System (HWS) from groundwater to surface water supply and also provide service to future customers in the Lincoln East Specific Plan area.

The City has received a commitment from the California Department of Public Health (CDPH) to provide approximately \$29 million through the State Revolving Fund (SRF) loan program for costs associated with the HWS groundwater conversion, including a portion of the Walton Water Transmission Line project.

On March 17, 2009, Council approved the plans and specifications for the Walton Water Transmission Line Project and authorized the Public Works Department to advertise for bids.

Analysis:

The project was advertised for bid in July, August, and September 2009. Plans and specifications were provided to local builder/contractor exchanges and purchased by 57 contractors/suppliers. On September 21, 2009, 16 bids were received and opened in the City Clerk's office. A list of the bids received and the engineer's estimate are shown below.

<u>Company</u>	<u>Bid Amount</u>
Marques Pipeline, Sacramento	\$4,112,821.00
TerraCon Pipelines, Healdsburg	\$4,415,550.00
Lamon Construction, Yuba City	\$4,492,353.00
Knife River Construction, Stockton	\$4,518,832.00
Mountain Cascade, Livermore	\$4,829,757.00
Doug Veerkamp Engineering, El Dorado Hills	\$4,894,439.00
North Bay Construction, Petaluma	\$4,953,997.15
McGuire and Hester, Oakland	\$5,104,415.00
Teichert Construction, Davis	\$5,133,780.00
Bobby Martin Construction, Redding	\$5,202,885.00
Argonaut Construction, Santa Rosa	\$5,279,152.00
Ford Construction Co., Lodi	\$5,305,396.75
V. Lopez Jr & Sons, Santa Maria	\$5,360,059.00
Granite Construction Co., Sacramento	\$5,368,241.00
Tidelands Construction Co., Brentwood	\$5,520,154.00
<u>West Valley Construction, Chico</u>	<u>\$6,413,186.00</u>
Engineer's Estimate	\$5,456,440.00

Marques Pipeline of Sacramento, CA is the low bidder.

The SRF funding requirements for this project require that the contractor put forth a good faith effort to utilize Disadvantaged Business Enterprise subcontractors. The State is reviewing the good faith effort of Marques Pipeline, so the award of the project is contingent upon the State determining that the good faith effort meets the intent of the funding requirements.

Contract administration and inspection of the project will be performed by Public Works Department staff, with assistance from Utilities Department staff with SRF reporting requirements. Project construction is expected to begin in November and continue through September 2010, weather permitting.

Bunce Road between the Gilsizer Slough and Richland Road is so narrow that the road will effectively be closed in one block segments with detours in place. Access for residents and emergency vehicles will be maintained at all times. In order to minimize traffic related impacts associated with area schools, staff is recommending the following working hour restrictions:

- Yuba City High School – Construction on B Street between Cooper Avenue and Clark Avenue and on Clark Avenue between B Street and Franklin Avenue will occur during the 2009-10 winter holiday break, on weekends, or between the hours of 8:30 am and 2:30 pm while school is in session.
- St. Isidore Catholic School – Construction on Clark Avenue between Clinton Street and East Hillcrest Avenue, excluding the Gilsizer Slough crossing, will occur during the 2009-10 winter holiday break, on weekends, or between the hours of 8:30 am and 2:30 pm while school is in session.
- Lincoln Elementary School – Construction on Lincoln Road between Crest Drive and Bromley Avenue will occur during the 2009-10 winter holiday break, on weekends, or between the hours of 8:30 am and 2:30 pm while school is in session.

Fiscal Impact:

The Walton Water Transmission Line project will receive funding from the State Revolving Fund loan program, development impact fees, and other City fees. The SRF loan program will fund the equivalent of a 24-inch transmission main. The cost of increasing the transmission main to a 30-inch pipeline per the City’s Water Master Plan will be funded by development impact fees. HWS surcharges will fund 67% of the total project cost, while development impact fees and other city fees will fund 33% of the total project cost. The funding commitment breakdown for the Walton Water Transmission Line is as follows:

Cost Classification	SRF Funding	Impact Fees	Total
A. Construction Costs	\$3,517,513	\$595,308	\$4,112,821
B. Engineering Costs	\$411,282	-	\$411,282
C. Constr. Mgmt. & Inspection	\$411,282	-	\$411,282
D. Contingencies	\$351,751	\$59,531	\$411,282
Total Cost:	\$4,691,829	\$654,839	\$5,346,668

The Funding Agreements for the SRF loan will be set up such that the City will have to request reimbursement from the State for eligible project costs. Start up costs for the project will initially be funded through the pooled cash reserves in the water capital projects fund and capital connection fee funds until such time as reimbursement monies are collected from the State and deposited into the project account.


Alternatives:

Do not award the contract and reject all bids.

Recommendation:

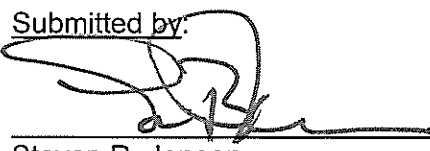
- a. Award Contract No. 09-05, Walton Water Transmission Line Project, to Marques Pipeline, Inc., of Sacramento, CA in the amount of their bid of \$4,112,821.00, contingent upon the approval of the California Department of Public Health.
- b. Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney.
- c. Authorize the Finance Director to make necessary supplemental appropriations in the amount of \$4,691,829 for work performed under the Walton Water Transmission Line Project that is reimbursable through the State Revolving Fund Loan Program, to Account No. 941052 (Distribution System – Transmission Mains, Phase 1).
- d. Authorize a budget transfer in the amount of \$654,839 from Account No. 971098 (Water Capitalization Fund) to Account No. 971052 (Distribution System – Transmission Mains, Phase 1) for work performed under the Walton Water Transmission Line Project that is ineligible for reimbursement through the State Revolving Fund loan program.

Prepared by:



Kevin Bradford
Associate Civil Engineer

Submitted by:




Steven R. Jepsen
City Manager


Reviewed by:

Department Head

Finance

City Attorney

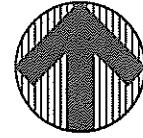




CITY OF YUBA CITY
WALTON WATER TRANSMISSION LINE
PROJECT LIMITS

PROJECT LOCATION MAP

EXHIBIT A



SCALE: 1" = 2,000'

