

CITY OF YUBA CITY
STAFF REPORT

Date: November 17, 2009
To: Honorable Mayor & Members of the City Council
From: Utilities Department
Presentation by: William Lewis, Utilities Director

Summary

Subject: Sanborn Storage & Pumping Plant Project (Award of Contract)

Recommendation:

- a. Reject the bids submitted by Mountain Cascade of Livermore, CA and Spiess Construction of Santa Maria, CA because they proposed an electrical subcontractor that fails to meet the minimum experience requirements for this project as specified in the bid documents
- b. Award Contract No. 09-24, Sanborn Storage & Pumping Plant Project, to Auburn Constructors, Inc of Sacramento, CA in the amount of their bid of \$4,815,300.00.
- c. Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney.
- d. Authorize the Utilities Director to amend the existing Professional Services Agreement with Carollo Engineers for modifications made to the design of this project due to the relocation of the tank site and to provide engineering services during construction in the amount of \$408,700 plus \$60,000 contingency with the finding that it is in the best interest of the City to do so.
- e. Authorize the Finance Director to make necessary supplemental appropriations in the amount of \$6,259,890 for reimbursable work performed under the Sanborn Storage & Pumping Plant Project from the State of California to Account No. 941057 (Water Storage Tanks and Pumping Stations).

Fiscal Impact: \$6,259,890 – Account No. 941057 (Water Storage Tanks and Pumping Stations) as follows:

- \$4,815,300 – Account No. 941057-65501 (Construction)
- \$ 481,530 – Account No. 941057-65502 (Design/Engineering)
- \$ 481,530 – Account No. 941057-65503 (Const/Admin Cost)
- \$ 481,530 – Account No. 941057-65504 (Contingency)

Background:

The Sanborn Storage and Pumping Plant consists an above ground 3.6 million gallon water storage reservoir, a 10.5 million gallons per day water pump station and other associated

improvements. The tank and pump station will be located southwest of the intersection of Lincoln and Sanborn Roads. Refer to Exhibit A. This new water storage tank and pump station will help facilitate the conversion of the Yuba City Hillcrest Water System from groundwater to surface water supply and also provide service to future customers in the Lincoln East Specific Plan area. Costs are allocated seventy percent to the conversion project and thirty percent to future customers.

In December 2007, Council approved a Professional Services Agreement with Carollo Engineers of Sacramento for preparation of plans and specifications for the Sanborn Storage and Pumping Plant Project. The design cost was up to \$385,000. Design cost is not included in the fiscal impact of the award of the construction project, but is fundable under the low interest State Revolving Fund loan. The design agreement did not include engineering services during construction. Staff informed Council at the time of the design agreement approval that the scope of services needed during construction would be determined at a later date and staff would return to Council with an amendment for these services.

On August 18, 2009, Council approved the plans and specifications for the Sanborn Storage and Pumping Plant Project and authorized the Utilities Department to advertise for bids.

Analysis:

Construction Contract

The project was advertised for bid in August and September 2009. Plans and specifications were provided to local builder/contractor exchanges and advertised in the local newspaper. September 24, 2009, 6 bids were received and opened in the City Clerk's office as shown below.

<u>Company</u>	<u>Bid Amount</u>
Mountain Cascade, Livermore	\$4,557,500.00
Spiess Construction, Santa Maria	\$4,705,100.00
Auburn Constructors, Sacramento	\$4,815,300.00
Paso Robles Tank, Paso Robles	\$4,826,965.00
Conco West, Manteca	\$5,114,000.00
<u>Water Works Construction, Vacaville</u>	<u>\$5,315,968.00</u>
Engineer's Estimate	\$5,800,000.00

Contract documents require that the prime contractor and electrical subcontractor both meet certain qualification experience requirements. The prime contractor was required to be actively and continuously engaged in similar projects for the past 10 years. The electrical subcontractor was required to demonstrate three projects of a similar nature during the last seven years. Mountain Cascade and Spiess Construction both submitted bids that were not responsive as to this project's bidding requirements. Both Mountain Cascade and Spiess Construction met the prime contractor qualifications requirement. Both Mountain Cascade and Spiess listed the same electrical subcontractor, Villanueva Electrical of Chico, CA. Villanueva Electrical could not demonstrate compliance with the contract requirement of three projects of a similar nature, size, and complexity within the last 7 years. Spiess Constructors agreed not to pursue award of the contract. November 4 a meeting took place with Mountain Cascade and Villanueva Electrical to allow them to address the issue of their qualifications and experience as required by the bid

documents. At this meeting it was determined that Mountain Cascade did meet the experience requirements, but Villanueva Electrical did not. November 6 staff received a letter from counsel representing Mountain Cascade stating that their bid should be accepted and the City should allow substitution of the electrical subcontractor. Based on advice of City counsel the process outlined by Mountain Cascade is not applicable in this case and should not be allowed.

Auburn Constructors is the lowest responsive, responsible bidder and meets all contractual requirements.

State Revolving Fund 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 Auburn Constructors; therefore, the award of the project is contingent upon the State determining that the good faith effort meets the intent of the program.

Engineering Services

Staff has conferred with Carollo Engineers and negotiated a scope of work for engineering services to be performed during construction including submittal reviews, responding to contractor requests for information, periodic site visits, attending construction meetings and preparing record drawings for the project. The negotiated fee for these services is consistent and reasonable when compared to other similar services. It is customary and most efficient for the design engineer to perform these services. The negotiated fee of \$408,700 is a not to exceed value, and is billed on a time and materials basis. Staff recommends amending Carollo's existing professional service agreement to include these services and unanticipated design services.

Contract administration and inspection of the project will be performed by Public Works Department staff, with assistance from Utilities Department staff and Carollo Engineers. Project construction is expected to begin in December and continue through January 2011, weather permitting.

Fiscal Impact:

The Sanborn Storage and Pumping Plant Project will receive funding from the State Revolving Fund loan program. The funding commitment breakdown for this project is as follows:

<u>Cost Classification</u>	<u>Total</u>
A. Construction Costs	\$4,815,300
B. Engineering Costs	\$ 481,530
C. Construction Management & Inspection	\$ 481,530
D. Contingencies	\$ 481,530
Total Cost:	\$6,259,890

Engineering costs include Carollo Engineering services during construction and staff engineering time. The City has received a commitment from the California Department of Public Health (CDPH) to provide approximately \$26 million through the State Revolving Fund (SRF) loan program for costs associated with the groundwater conversion, including all costs associated with the construction of the Sanborn Storage and Pumping Plant Project with the exception of landscaping (\$40,000). Repayment of the project costs will be seventy percent through the Proposition 218 approved groundwater surcharge and thirty percent through water

connection charges. Total project costs including design, construction, construction engineering services, construction management, inspection, and contingency are estimated to be \$6,644,890.

The Funding Agreements for the SRF loan will be set up such that the City will request reimbursement from the State for eligible project costs after they have occurred. 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:

Determine that the low bid is responsive and responsible and award to Mountain Cascade, or do not award the contract and reject all bids and direct staff to re-advertise the project for bid.

Recommendation:


- a. Reject the bids submitted by Mountain Cascade of Livermore, CA and Spiess Construction of Santa Maria, CA because they proposed an electrical subcontractor that fails to meet the minimum experience requirements for this project as specified in the bid documents.
- b. Award Contract No. 09-24, Sanborn Storage & Pumping Plant Project, to Auburn Constructors, Inc of Sacramento, CA in the amount of their bid of \$4,815,300.00.
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- e. Authorize the Finance Director to make necessary supplemental appropriations in the amount of \$6,259,890 for reimbursable work performed under the Sanborn Storage & Pumping Plant Project from the State of California to Account No. 941057 (Water Storage Tanks and Pumping Stations).

Prepared by:



Ian Pietz
Senior Engineer

Submitted by:



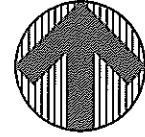
Steven R. Jepsen
City Manager

Reviewed by:

Department Head UPL

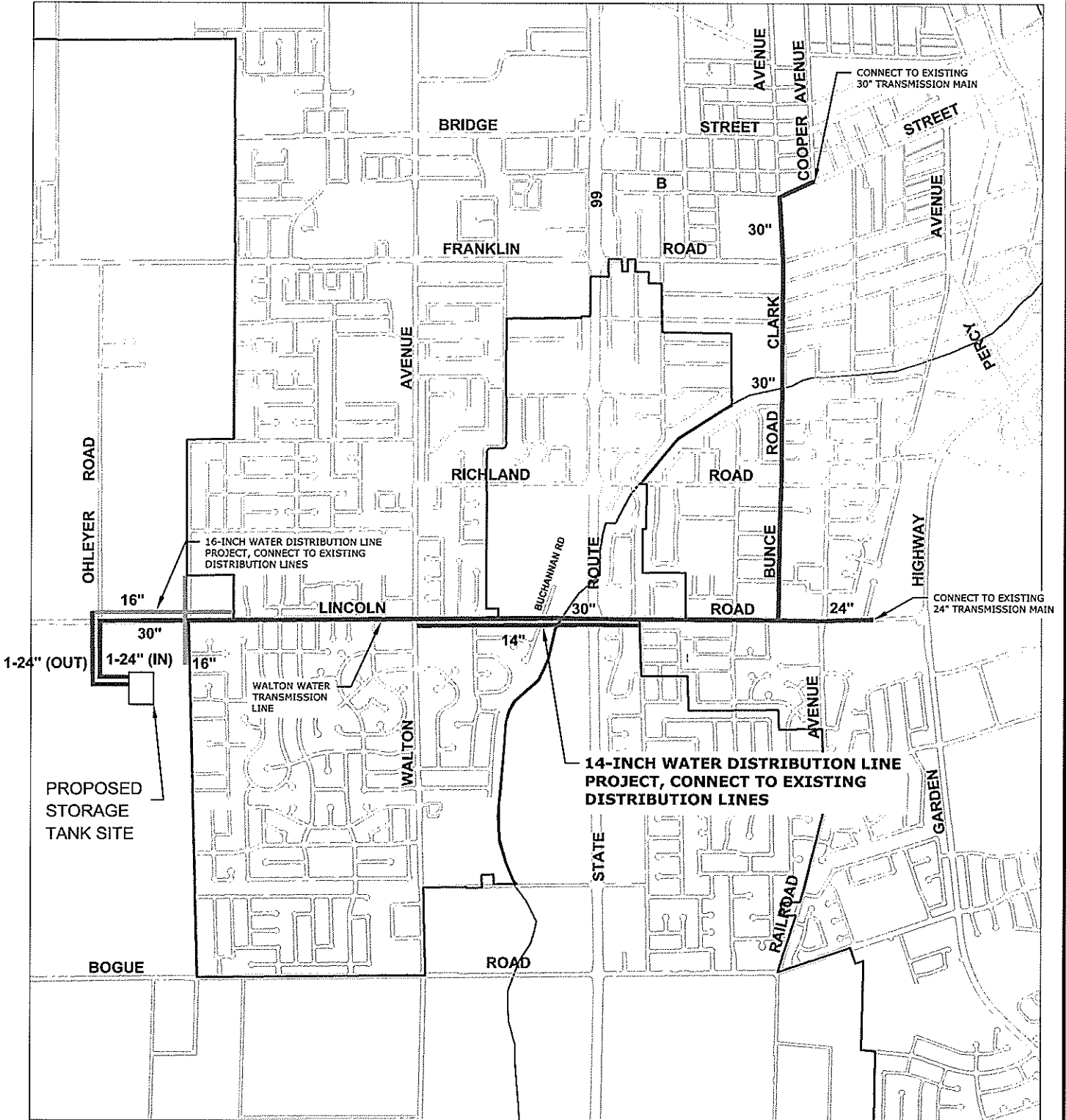
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City Attorney _____



SCALE: 1" = 2,000'

EXHIBIT A





Engineers...Working Wonders With Water

October 12, 2009
7937A10

City of Yuba City
Utilities Department
701 Northgate Drive
Yuba City, CA 95991

Attention: Mr. Ian Pietz

Subject: Sanborn Storage and Pumping Plant- ESDC Proposal and Design Phase
Amendment Tasks

Dear Mr. Pietz:

Carollo Engineers is pleased to provide this proposal to assist the City of Yuba City (City) with Engineering Services During Construction (ESDC) for the Sanborn Tank and Pumping Plant. Included with this letter is a proposed scope and budget for ESDC. The services would be performed and billed on a time and materials budget with a not-to-exceed amount as described in our scope. They have been developed based on the level of effort for recent similar projects and discussions with the City. We understand that the City will be providing construction management and inspection services. Our scope has been developed to support this effort with typical office engineering tasks and limited specialty inspection.

Also included in the attached budget table is a listing of out-of-scope work that was completed as part of the design phase that have not been reimbursed under the original contract contingency. These items are due to changes that were made from the original scope, which assumed matching the design from your previous Harter Project. These items represent significant changes in scope and schedule, which impacted the level of work we were required to perform and the cost of that work. Even with these additional costs, the design costs for the project are less than those originally proposed by Carollo for the project. We are requesting an amendment to our lump sum design contract for these services.

If you have any questions on the construction phase services proposal or the amendment items please call me. We can also meet to discuss these items in person if it would be easier for you and Bill. We appreciate the opportunity to continue to serve the City with this work.

Sincerely,

CAROLLO ENGINEERS, P.C.

Chris Cleveland
Project Manager

Cc: Dave Kraska

2500 Venture Oaks Way, Suite 320, Sacramento, California 95833
P. 916.565.4888 F. 916.565.4880

EXHIBIT A

SCOPE OF SERVICES CITY OF YUBA CITY

SANBORN STORAGE AND PUMPING PLANT

ENGINEERING SERVICES DURING CONSTRUCTION

The following sections describe the detailed scope of engineering services during construction

BACKGROUND

The objective of this Scope of Services is to provide engineering services during construction for the Sanborn Storage and Pumping Plant.

Task 1 - SERVICES DURING CONSTRUCTION

It is assumed that the CITY will perform construction inspection and construction management services for this project. In support of the CITY's efforts, CONSULTANT shall provide the following services:

Task 1.1 - Submittal Checking

CONSULTANT shall review shop drawing submittals to verify conformance with the intent of the contract documents. Submittals shall be reviewed and marked-up with appropriate comments. Two marked-up submittals shall be returned to the CITY's Construction Manager for processing and distribution. The scope of services is based on an estimate of 180 submittals and resubmittals at an average of 4 hours per submittal.

The budgets provided herein do not include review of "off-brand, or equal" equipment substitutions, which require research related to the manufacturer's qualifications and ability to perform as specified or which require verification that alternative materials and configurations are acceptable. Review of "off brand or equal" equipment substitutions can be performed under separate authorization.

Task 1.2 - Requests for Information.

At the request of the CITY, CONSULTANT shall respond to Contractor's Requests for Information (RFIs). CITY shall track all RFIs. CONSULTANT shall issue interpretations and clarifications of the contract documents and prepare sketches to clarify contract documents where necessary. The scope of services includes responding to a total of 80 RFIs at an average of 4 hours per RFI response.

Task 1.3 - Periodic Site Visits, Construction Meetings, and Specialty Inspection

CONSULTANT shall review finished work to verify conformance with the intent of the contract documents. The CONSULTANT shall supply a 'punchlist' of work that does not conform with the intent of the plans and specifications. Specialty inspection of required structural and electrical portions of the project will also be provided. One site visit every other week for the duration of the project is assumed plus up to ten trips for specialty inspection as needed. Attendance via phone for weekly construction meetings when not on-site will also be performed every other

week. Specialty coatings inspections have not been included and are typically provided by a separate specialty inspection firm.

Task 1.4 - Prepare Design Clarifications and Contract Change Orders

CONSULTANT shall respond to construction manager and CITY providing design clarifications (DCs) as necessary throughout the construction project.

In the event design-related changes to the Contract Documents are required, the following procedures will be followed. Upon determination by the CITY or CONSULTANT that a change order is required, the CONSULTANT shall review the potential change order (PCO). Where the PCO requires redesign, the CONSULTANT shall prepare change order specifications, drawings, or sketches. The CONSULTANT shall prepare a cost estimate for each change order. CITY shall negotiate with the Contractor the cost and time extension of the Contract associated with the change order.

The budget for this task is based on review of 10 DCs and PCOs prepared by the CONSULTANT at 12 hours each.

Task 1.5 - Prepare Record Drawings

CONSULTANT shall prepare and submit electronic record drawings. Field data, information, sketches, and working drawings to be incorporated with the record drawings shall be provided to the Consultant by the construction manager. The CONTRACTOR is responsible for maintaining accurate on-site record drawings throughout the project. The construction manager should check on-site documentation of changes regularly throughout the project.

The record drawings shall include above and below grade changes from the original design drawings for the various disciplines. Changes made to reflect the as-installed conditions shall be made in the same level of detail and to the same degree of drafting quality as the original design drawings, but no better than the level of detail provided in the Contractor's drawings and mark-ups. Two half-size and one full-size drawing set will be delivered to the CITY as well as Autocad files. Original documentation from the CONTRACTOR used by the CONSULTANT to prepare the record drawings will be delivered to the CITY for its files.

COMPENSATION

CONSULTANT will perform the duties described herein on a time and materials reimbursable basis in accordance with CONSULTANT's standard fee schedule in affect at the time services are rendered. A copy of the current fee schedule is attached. The fee schedule is subject to revision on an annual basis in March. The maximum compensation shall not exceed \$332,100 without prior written approval as described in Exhibit B.

SCHEDULE

CONSULTANT will perform the above-described scope of work subtasks 1.1 through 1.4 during an assumed 14-month construction duration. Subtask 1.5 will be completed within 120 days after receipt of all documentation of as-installed conditions from the CITY.

CITY OF YUBA CITY SANBORN RESERVOIR AND PUMPING PLANT

EXHIBIT B

HOURS AND COSTS FOR AMENDMENT ITEMS AND ESTIMATED HOURS AND BUDGET FOR ENGINEERING SERVICES DURING CONSTRUCTION

POSITION LABOR RATE	CARPENTER/ENGINEERS										TOTAL	SUBJECT MATTER # PARAGRAPHS (2)	COST	TOTAL		
	1	2	3	4	5	6	7	8	9	10						
TASK 1 - SERVICES DURING CONSTRUCTION																
Task 1.1 Submittal Review ⁽³⁾	16	44	300	80	240							40	720	\$ 116,536	\$ 6,840	\$ 123,376
Task 1.2 Review and Respond to Contractor RFIs ⁽⁴⁾	8	22	130	40	100							20	320	\$ 51,668	\$ 3,040	\$ 54,708
Task 1.3 Periodic Site Visits, Const. Meetings, and Specialty Inspections ⁽⁴⁾	32	160	200	64									456	\$ 85,128	\$ 4,332	\$ 89,460
Task 1.4 Prepare Design Clarifications and Change Orders ⁽⁵⁾	4	16	60	16	24								120	\$ 19,796	\$ 1,140	\$ 20,936
Task 1.6 Prepare Record Drawings	4	8	24	8	200								244	\$ 36,072	\$ 2,316	\$ 38,388
Task Totals:	64	250	714	144	404							60	1860	\$ 309,200	\$ 17,670	\$ 326,870
TOTAL ESTIMATED FEE FOR ENGINEERING SERVICES DURING CONSTRUCTION:																
\$ 332,100																

DETAILED DESIGN AMENDMENT ITEMS	CARPENTER/ENGINEERS										TOTAL	SUBJECT MATTER # PARAGRAPHS (2)	COST	TOTAL		
	1	2	3	4	5	6	7	8	9	10						
Design of Overflow and Storm Water Detention Basin	2	8	24	8	30								64	\$ 10,392	\$ 608	\$ 11,000
Reconfiguration of Site for Alternate Property	8	40	60	18	60								168	\$ 28,812	\$ 1,586	\$ 30,400
Design of Extended Site Access Road from Lincoln Ave													50	\$ 8,062	\$ 475	\$ 8,537
Design of Security System Backbone													39	\$ 6,355	\$ 371	\$ 6,726
ARRA Modifications to Contract Docs													27	\$ 3,875	\$ 257	\$ 4,132
Contracted Documents	2	4	16	4	20								66	\$ 8,960	\$ 627	\$ 9,587
Bid Review and Letter	2	8	20	8	30								30	\$ 5,390	\$ 280	\$ 5,670
Task Totals:	26	79	157	4	16							32	468	\$ 81,490	\$ 28,580	\$ 110,070
TOTAL FEE FOR AMENDMENT SERVICES:																
\$ 76,600																

⁽¹⁾ Key: PM = project manager, PIC = principal-in-charge, PE/ISE = project engineer / sr. engineer, CAD = CAD operator & designer

⁽²⁾ Includes subcontractor costs and PECE (project equipment and communication expenses) at \$9.50 per labor hour.

⁽³⁾ Assumes 180 submittals at 4 hr average review time, 80 RFIs at 4 hr average review time

⁽⁴⁾ Assumes one site visit every other week and one const mtg attendance by phone for the duration of the 13 month project and specialty inspection services as needed.

⁽⁵⁾ Assumes 10 DC's and Change Orders Combined

**CAROLLO ENGINEERS, PC
FEE SCHEDULE**

**As of March 1, 2009
California**

	<u>Hourly Rate</u>
Engineers/Scientists	
Assistant Professional	\$134.00
Professional	165.00
Project Professional	197.00
Lead Project Professional	213.00
Senior Professional	234.00
Senior Process Specialist	315.00
Technicians	
Technicians	100.00
Senior Technicians	142.00
Support Staff	
Document Processing / Clerical	90.00
Project Equipment Communication Expense (PECE) Per DL Hour	9.50
Other Direct Expenses	
Travel and Subsistence	at cost
Mileage	IRS Reimbursement Rate
Subconsultant	cost + 10%
Other Direct Cost	cost + 10%
Expert Witness	Rate x 2.0

This fee schedule is subject to annual revisions due to labor adjustments.