



AGENDA ITEM NO.	1 D
COUNCIL MEETING	11/7/13
APPROVED BY	
DEPARTMENT DIRECTOR	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

November 7, 2013

FROM: PATRICK N. WIEMILLER, Director
Department of Public Utilities

BY: STEPHEN A. HOGG, Assistant Director
Department of Public Utilities – Wastewater Management Division

SUBJECT: ACTIONS PERTAINING TO THE SEWER REHABILITATION IN BLACKSTONE AND SHIELDS AVENUES (BID FILE NO. 3249) (COUNCIL DISTRICTS 4 AND 7)

1. ADOPT A FINDING OF CATEGORICAL EXEMPTIONS OF CLASS 1 AND 2, PURSUANT TO SECTION 15301(b) (EXISTING FACILITIES OF BOTH INVESTOR AND PUBLICLY-OWNED UTILITIES USED TO PROVIDE ELECTRIC POWER, NATURAL GAS, SEWERAGE, OR OTHER PUBLIC UTILITY SERVICES) AND SECTION 15302(c) (REPLACEMENT OR RECONSTRUCTION) OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES
2. AWARD A \$492,741 CONTRACT TO SAK CONSTRUCTION OF CALIFORNIA LP, OF O'FALLON, MISSOURI
3. AUTHORIZE THE DIRECTOR OF PUBLIC UTILITIES OR HIS DESIGNEE TO SIGN THE CONTRACT ON BEHALF OF THE CITY

RECOMMENDATIONS

Staff recommends that City Council:

1. Adopt a finding of Categorical Exemptions of Class 1 and 2, pursuant to Section 15301(b) (existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services) and Section 15302(c) (replacement or reconstruction) of the California Environmental Quality Act (CEQA) guideline for the Sewer Rehabilitation in Blackstone and Shields Avenues.
2. Award a contract in the amount of \$492,741 to SAK Construction of California, LP, of O'Fallon, Missouri, for the Sewer Rehabilitation in Blackstone and Shields Avenues.
3. Authorize the Director of Public Utilities or his designee to sign the contract on behalf of the City.

REPORT TO THE CITY COUNCIL

Sewer Rehabilitation in Blackstone and Shields Avenues

November 7, 2013

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EXECUTIVE SUMMARY

The Department of Public Utilities, Wastewater Management Division is seeking to award a construction contract to rehabilitate the sewer pipeline along Blackstone and Shields Avenues. The rehabilitation section is proposed to be accomplished by installing 2,332 feet of Cast in Place Pipe (CIPP) liner in Blackstone Avenue from Clinton Avenue to Peralta Way and 781 feet of CIPP liner in Shields Avenue from Claremont to Fordham Avenues where capacity and structural deficiencies were identified. Staff recommends City Council adopt a finding of Categorical Exemptions of Class 1 and 2, pursuant to Section 15301(b) and 15302(c) of the CEQA guidelines and award a contract in the amount of \$492,741 to SAK Construction of California, LP, of O'Fallon, Missouri, as the lowest responsive and responsible bidder.

BACKGROUND

In 2009 the City Council adopted the Sewer System Management Plan (SSMP) prepared by the Department of Public Utilities (DPU), as required by the statewide General Wastewater Discharge Requirements for sanitary sewer collection systems. This plan calls for the need to perform evaluations, check design criteria, analyze capacity enhancement measures and create schedules for improvements. The SSMP utilizes the 2006 Wastewater Collection System Master Plan (Master Plan) to determine areas with inadequate sections within the sewer collection system. This Master Plan identified the sections of pipe in Blackstone Avenue from Clinton Avenue to Peralta Way and Shields Avenue from Claremont to Fordham Avenues as being in poor condition plus these existing 12-inch and 20-inch sewer trunk lines were installed between 1939 to 1956 and are now aging; the condition is a result of hydrogen sulfide corrosion. DPU recommends installing a corrosion resistant liner in the existing concrete pipe as the most cost-effective solution. The corrosion resistant liner will restore the structural integrity and prevent further deterioration caused by hydrogen sulfide corrosion.

Plans and specifications were prepared for the project. A notice of Inviting Bids was published on September 6, 2013, posted on the City's website and faxed to ten building exchanges. The specifications were distributed to 35 prospective bidders. Three sealed bid proposals were received and publicly opened on October 1, 2013. Bid proposal prices ranged from \$492,741 to \$751,183.

SAK Construction of California, LP, of O'Fallon, Missouri was the lowest bidder with a submitted bid of \$492,741. Staff determination was posted on the City Website on October 10, 2013. Staff recommends that the City Council award a contract in the amount of \$492,741 to SAK Construction of California, LP, of O'Fallon, Missouri as the lowest responsive and responsible bidder.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within Class 1 and 2 Categorical Exemptions set forth in California Environmental Quality Act Guidelines, Section 15301(b) (existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services) and Section 15302(c) (replacement or reconstruction) due to the nature of this contract involving repair and rehabilitation of

existing public sewer utilities, in this case by constructing a CIPP corrosion resistant liner within the existing concrete pipe, which will involve negligible or no expansion of capacity or use. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

LOCAL PREFERENCE

The local preference did not affect the award of this project because none of the bidders are a local business according to the Fresno Municipal Code Section 4-108.

FISCAL IMPACT

This project is identified in the five year capital improvement plan and is located in Council Districts 4 and 7. Funds in the amount of \$508,300 for the project are appropriated in the FY2014 Sewer Enterprise Fund No. 40501.

FISCAL IMPACT STATEMENT

PROGRAM: SEWER REHABILITATION IN BLACKSTONE AND SHIELDS AVENUES

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$492,741.00</u>	_____
Indirect Cost	<u>*\$22,200.00</u>	_____
TOTAL COST	<u>\$514,941.00</u>	_____
Additional Revenue or Savings Generated	<u>\$0.00</u>	_____
Net City Cost	<u>\$514,941.00</u>	_____
Amount Budgeted (If none budgeted, identify source)	<u>\$508,300.00</u>	_____
<u>*Indirect Costs</u>		
Inspection	<u>\$12,300.00</u>	
Administration	<u>\$4,900.00</u>	
Contract Compliance	<u>\$2,500.00</u>	
Other	<u>\$2,500.00</u>	

The funds for this project are available in the 2014 Sewer Enterprise reserves fund No. 40501.

EVALUATION OF BID PROPOSALS

FOR: SEWER REHABILITATION IN N BLACKSTONE AND E SHIELDS AVENUES

Bid File No. 3249
Bid Opening: 10/1/13

	BIDDER'S	BID AMOUNT
1.	SAK Construction of CA, LP 864 Hoff Road O'Fallon, MO 63366	\$492,741.00
2.	Insituform Technologies, LLC 10613 W. Sam Houston Pkwy N., Suite 300 Houston, TX 77064	\$691,520.60
3.	Repipe California LP 12771 Brown Ave Riverside, CA 92509	\$751,183.00

Each bidder has agreed to allow the City sixty-four (64) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, October 23, 2013 5:00 P.M.

The Budget Allocation for this expenditure is \$508,300. The contract price is 3% below the Budget Allocation. If the overage is greater than 10% or only one bid was received, give explanation:

BACKGROUND OF PROJECT:

In 2009 the City Council adopted the Sewer System Management Plan (SSMP) prepared by the Department of Public Utilities (DPU), as required by the statewide General Wastewater Discharge Requirements for Sanitary Sewer Collection Systems. This plan requires evaluations and creates schedules for improvements. This evaluation identified the sections of pipe in Shields Avenue from Claremont to Fordham Avenues and Blackstone Avenue from Peralta Way to Clinton Avenue as being in poor condition plus these existing 12-inch and 20-inch sewer trunk lines were installed between 1939 to 1956 and are now aging; the condition is a result of hydrogen sulfide corrosion. DPU recommends constructing a corrosion resistant liner in the existing concrete structure as the most cost-effective solution. The corrosion resistant liner will repair the structural integrity and prevent further deterioration caused by hydrogen sulfide corrosion.

EVALUATION OF BID PROPOSALS

FOR: SEWER REHABILITATION IN N BLACKSTONE AND E SHIELDS AVENUES

Bid File No. 3249
Bid Opening: 10/1/13

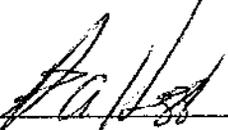
DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$492,741 to SAK Construction of CA, LP as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval



Title Assistant Director of Public Utilities

Date 10-8-13

Approve Dept. Recommendation

Approve Finance/Purchasing Recommendation

Disapprove

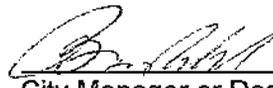
Disapprove

See Attachment

FINANCE DEPARTMENT

CITY MANAGER

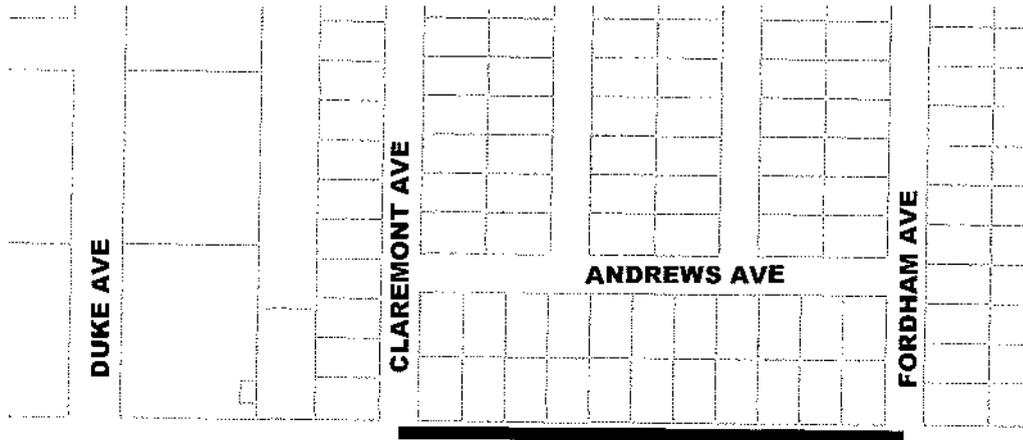

Purchasing Manager 10/8/13
Date


City Manager or Designee Date

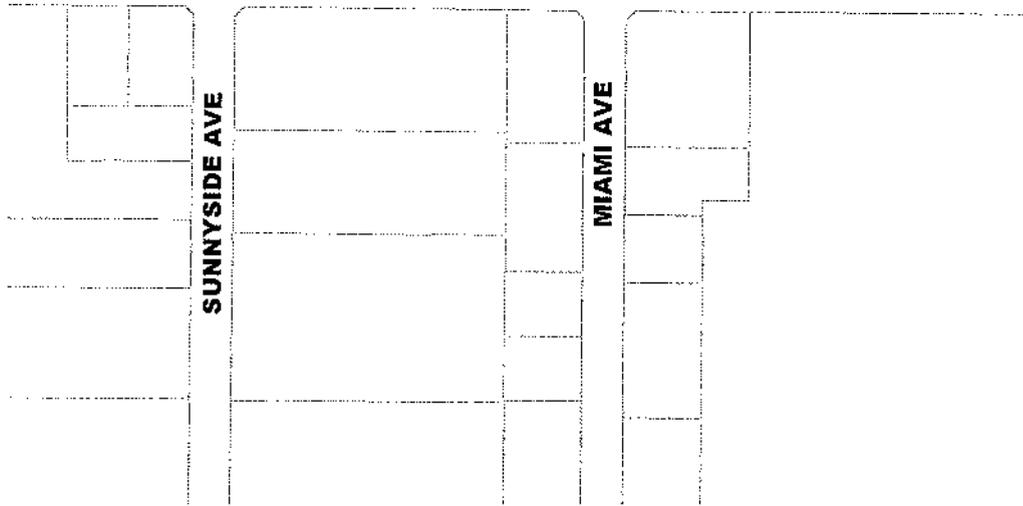

Assistant Controller 10/2/13
Date



CITY OF FRESNO DEPARTMENT OF PUBLIC UTILITIES <u>REGIONAL WASTEWATER RECLAMATION FACILITY</u> TECHNICAL SERVICES		Blackstone Sewer Rehab Wastewater Management Technical Services	
DRAWN BY: PD CHECKED BY: KN PROJECT ID: W00136	DATE: 9/24/13 SCALE: 400 FUND: 4001	SHEET NO. 1 OF 1	
		ORG: 41301	COR: N/A



SHIELDS AVE



CITY OF FRESNO DEPARTMENT OF PUBLIC UTILITIES <u>REGIONAL WASTEWATER RECLAMATION FACILITY</u> TECHNICAL SERVICES	Shields Sewer Rehab		SHEET NO. 1 OF 1
	Wastewater Management		
	Technical Services		
	DRAWN BY: PD CHECKED BY: KN PROJECT #: 8220138	DATE: 9/24/13 SCALE: 300 FWD: 4207	CDR: 41301 CDR: N/A