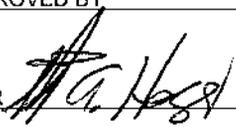
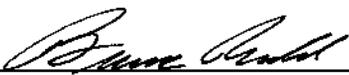
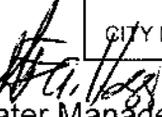


AGENDA ITEM NO.	1A
COUNCIL MEETING	04/10/14
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

April 10, 2014

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

BY: KEVIN L. NORGAARD, Supervising Professional Engineer 
Department of Public Utilities – Wastewater Management Division

SUBJECT: Actions pertaining to the sewer main construction in O Street for the Lighthouse Building - Bid File 3301 (Council District 3)

1. Adopt a finding of Class 3 Categorical Exemptions, pursuant to Section 15303(d) (New Construction or Conversion of Small Structures) of the California Environmental Quality Act Guidelines
2. Award a \$246,260 construction contract to Floyd Johnston Construction Company Inc. of Clovis, California

RECOMMENDATIONS

Staff recommends the City Council:

1. Adopt a finding of Class 3 categorical exemptions, pursuant to Section 15303(d) (New Construction or Conversion of Small Structures) of the California Environmental Quality Act (CEQA) Guidelines for the sewer main construction in O Street for the new Lighthouse Building.
2. Award a contract in the amount of \$246,260 to Floyd Johnston Construction Company Inc. of Clovis, California, for the sewer main construction in O Street for the new Lighthouse Building.

EXECUTIVE SUMMARY

The Department of Public Utilities (DPU), Wastewater Management Division is seeking to award a sewer construction contract for the sewer main construction in O Street for the new Lighthouse Building (previously known as First 5). Staff recommends City Council adopt a finding of Class 3 Categorical Exemptions, pursuant to Section 15303(d) (New Construction or Conversion of Small Structures) of the CEQA guidelines and award a contract in the amount of \$246,260 to Floyd Johnston Construction Company Inc. of Clovis, California, as the lowest responsive and responsible bidder.

BACKGROUND

In the summer of 2013 Fresno County acquired a parcel of land from the City of Fresno for the construction of a new building, which was to be the future site for the Lighthouse Project. The property is located on Tulare Avenue just west of O Street. The parcel is not currently served by City sewer; terms for the sale required that the City of Fresno provide sewer services up to the property line. In August the Department of Public Utilities began the design of a new sewer main to service the proposed building.

The new sewer main will consist of approximately 640 linear feet of 8" PVC pipe. The project sewer will stretch from just north of the O Street and Tulare intersection and travel 640 feet to the south, just west of the Federal Courthouse. Due to the amount of known and unknown utilities, open cut trenching was the safest and most viable option.

Plans and specifications were prepared for the project. A Notice Inviting Bids was published on January 13, 2014, posted on the City's website and faxed to 15 building exchanges. The specifications were distributed to eight prospective bidders. Five sealed bid proposals were received and publicly opened on February 11, 2014. Bid proposal prices ranged from \$246,260 to \$498,500.

Floyd Johnston Construction Company Inc. of Clovis, California was the lowest bidder with a submitted bid of \$246,260. Staff determination was posted on the City website on March 11, 2014. Staff recommends that the City Council award a construction contract in the amount of \$246,260 to Floyd Johnston Construction Company as the lowest responsive and responsible bidder. Their bid price came in at 75% above the Engineer's Estimate of \$140,000. Several factors contributed to the higher than anticipated bid. First, there are many underground utilities with exact locations unknown on this project alignment. The second is the complexity of the work because of the traffic control requirements when crossing Tulare Avenue. The closure of Tulare Avenue during business hours is not allowed due to heavy traffic patterns; therefore the majority of the work is to be night work. Third, contractors at the pre-bid meeting indicated a concern with the parallel 42" reinforced concrete pipe storm drain travelling parallel and in close proximity to the proposed sewer main will require additional support and trench safety equipment. The final contributor to the higher bid was a requirement for the replacement of stamped concrete to the nearest cold joints by the Department of Public Works. This requirement necessitates the use of additional work not otherwise included in the estimated price. All of these factors increased the contractor's liability and risk in the project significantly which was unanticipated in the original project estimate.

Upon approval by the City Council, the agreement will be executed by the Director of Public Utilities or designee, who has been delegated this authority by the City Manager.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within a Class 3 Categorical Exemption set forth in CEQA Guidelines, Section 15303(d) (New Construction or Conversion of Small Structures) because this project involves a short length of new

sewer connecting to existing public sewer. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15303 apply to this project.

LOCAL PREFERENCE

Local preference did not impact the award of this project because the low bidder was located within the local preference area and the next lowest bid was 21% higher and not within the limits of one half of one percent.

FISCAL IMPACT

This project is located in Council District 3. The total fiscal impact of this contract would be \$259,260 with no impact to the General Fund. Funds in the amount of \$62,800 were appropriated for the project in the FY2014 Budget, Sewer Enterprise Fund No. 40501. The additional \$196,460 needed for this project will come from savings in other projects also appropriated in the FY2014 Budget, Sewer Enterprise Fund No. 40501.

Attachments:

- Fiscal Impact Statement
- Bid Evaluation
- Vicinity Map

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EVALUATION OF BID
PROPOSALS

Page 1

FOR: SEWER MAIN IN O STREET FOR THE NEW T LOT BUILDING

Bid File No. 3301
Bid Opening:
February 11, 2014

<u>BIDDER'S</u>	<u>TOTAL NET BID AMOUNT</u>
1. Floyd Johnston Const. Co., Inc. 2301 Herndon Clovis CA 93611	\$246,260.00
2. Bill Nelson GEC, Inc. 2741 East Malaga Avenue Fresno CA 93725	\$298,360.00
3. Dawson-Mauldin Const., Inc. 1071 East Nebraska Selma CA 93662	\$325,720.00
4. Emmett's Excavation, Inc. 1477 Menlo Clovis CA 93611	\$369,052.00
5. West Valley Const. Co., Inc. 2793 South Golden State Blvd. Fresno CA 93725	\$498,500.00

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 Monday, February 26, 2014, 5:00 P.M.

The Engineer's Estimate for this expenditure is \$140,000. The contract price is 75% above the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

Due to the complexity of the work and unknown location of underground utilities in downtown Fresno, the bids came in much higher than the engineers estimate. Traffic control requirements in Tulare Avenue added to the discrepancy. The closure of Tulare Avenue during business hours is not allowed due to heavy traffic flows; therefore the majority of the work is to be night work. Contractors at the pre-bid meeting indicated the concern of the 42" storm drain being relatively close to the new sewer requiring the possibility of additional trench safety equipment. Replacement of stamped concrete to the nearest cold joints required the use of other trades, concrete finishers, which was not included in the original engineers estimate. All of these factors increased the contractor's liability and risk in the project significantly which was unanticipated in the original engineers estimate.

EVALUATION OF BID
PROPOSALS

Page 2

FOR: SEWER MAIN IN O STREET FOR THE NEW T LOT BUILDING

Bid File No. 3301
Bid Opening:
February 11, 2014

BACKGROUND OF PROJECT

In the summer of 2013 Fresno County acquired a parcel of land from the City of Fresno for the construction of a new building, which was to be the future site for the Lighthouse Project. The location is on Tulare Avenue just west of O Street. The Parcel is not currently served by City sewer; terms for the sale included the City of Fresno to provide sewer services up to the parcel. In August the Department of Public Utilities began the design of a new sewer main capable of serving the proposed new building.

The new sewer main will consist of approximately 640 linear feet of 8" PVC pipe. The project sewer will stretch from just north of the O Street and Tulare intersection 640 feet to the south, just west of the Federal Courthouse. Due to the amount of known and unknown utilities, open cut trenching was the safest and most viable option.

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EVALUATION OF BID
PROPOSALS

FOR: SEWER MAIN IN O STREET FOR THE NEW T LOT BUILDING

Bid File No. 3301
Bid Opening:
February 11, 2014

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$246,260.00 to Floyd Johnston Const. Co., Inc. of Clovis California as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval



Title Assistant Director of Public Utilities

Date _____

Approve Dept. Recommendation Approve Finance/Purchasing Recommendation

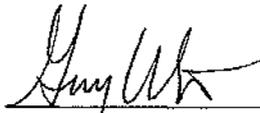
Disapprove

Disapprove

See Attachment

FINANCE DEPARTMENT

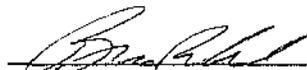
CITY MANAGER



Purchasing Manager

3/6/14

Date



City Manager or Designee

3/7/14

Date

Lawrence Bradley, 3/7/2014
Assistant Controller Date

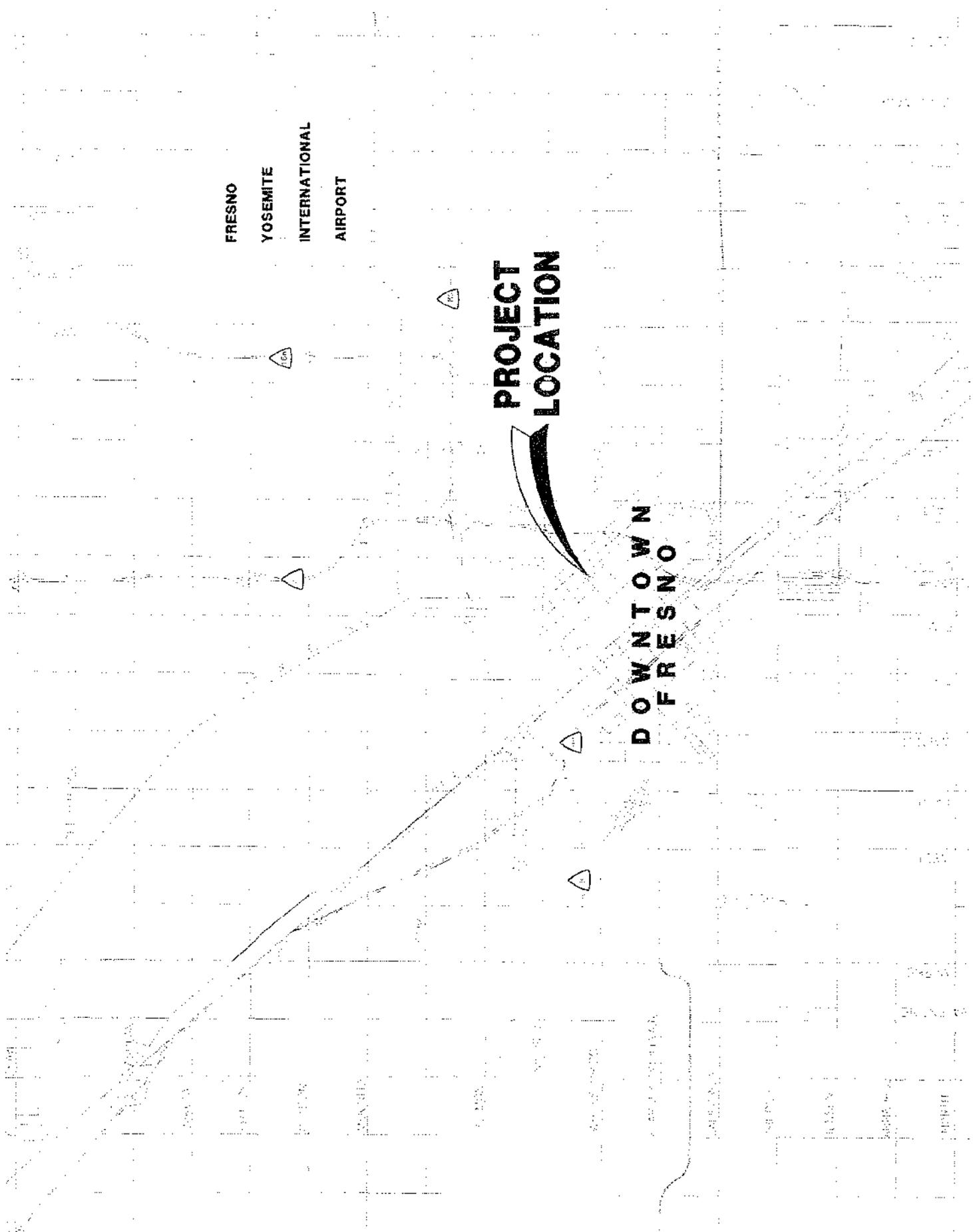
FISCAL IMPACT STATEMENT

PROGRAM:

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	\$ <u>246,260.00</u>	_____
Indirect Cost	\$ <u>13,000.00</u>	_____
TOTAL COST	\$ <u>259,260.00</u>	_____
Additional Revenue or Savings Generated	\$ <u>0.00</u>	_____
Net City Cost	\$ <u>259,260.00</u>	_____
Amount Budgeted (If none budgeted, identify source)	\$ <u>60,000.00</u>	_____

***Indirect Costs**

Inspection	\$ <u>7,500.00</u>
Administration	\$ <u>2,500.00</u>
Contract Compliance	\$ <u>1,500.00</u>
Other	\$ <u>1,500.00</u>



FRESNO
YOSEMITE
INTERNATIONAL
AIRPORT

**PROJECT
LOCATION**

**DOWNTOWN
FRESNO**

VICINITY MAP

NOT TO SCALE

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