

AGENDA ITEM NO. 2B  
COUNCIL MEETING 06/05/14

APPROVED BY

DEPARTMENT DIRECTOR

CITY MANAGER

June 5, 2014

**FROM:** STEPHEN A. HOGG, Assistant Director  FOR STEPHEN A. HOGG  
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 Fresno/Clovis Regional Wastewater Reclamation Facility Headworks Building Coating Repair and Stop Plate Installation (Bid File No. 3201) (Council District 3)

1. Adopt the 46th Amendment to the Annual Appropriation Resolution No. 2013-98 to appropriate funds
2. Adopt a finding of Class 1 Categorical Exemption, pursuant to Section 15301 (b) and (d) of the California Environmental Quality Act Guidelines
3. Award a \$6,367,960 contract as negotiated to Floyd Johnston Construction Company of Clovis, California for the design and construction thereof

## RECOMMENDATIONS

Staff recommends the City Council:

1. Adopt the 46th Annual Appropriation Resolution (AAR) No. 2013-98 to appropriate funds.
2. Adopt a finding of Class 1 Categorical Exemption, pursuant to Section 15301 (b) and (d) of the California Environmental Quality Act (CEQA) Guidelines.
3. Award a \$6,367,960 contract as negotiated, to Floyd Johnston Construction Company, Inc., of Clovis, California, for the design, construction, and maintenance, of the Headworks Building Coating Repair and Stop Plate Installation project at the Fresno/Clovis Regional Wastewater Reclamation Facility (RWRf).

## EXECUTIVE SUMMARY

The Department of Public Utilities, Wastewater Management Division is seeking to repair the concrete coatings in the Headworks Building at the Regional Wastewater Reclamation Facility (RWRf) and install two stop plates. Staff recommends that the City Council adopt the 46th AAR No. 2013-98, adopt a finding of Class 1 Categorical Exemption, pursuant to Section 15301 (b) and (d) of

the California Environmental Quality Act (CEQA) Guidelines, and award a contract in the amount of \$6,367,960 to the Floyd Johnston Construction Company Inc.

## **BACKGROUND**

The RWRF Headworks building was constructed in 1996 as part of a facility expansion project. The building has three main sections which require a special coating to protect the concrete from corrosion. The first section is protected with a product known as T-Lock. T-Lock is an extremely durable product and has a very long design life. The T-Lock was cast in place with the concrete during building construction. The second and third sections were coated with a different coating system. The system used was a spray or brush-on system applied after the building concrete was placed and cured. The coating in the third section of the building failed and was replaced in 2004. Currently, the second section (center section of headworks) is experiencing coating failures and is in need of repair. The purpose of this project is to remove any residual old coating material, repair any damage to the concrete and apply a new 100% epoxy coating system. This 100% epoxy coating is similar to that used to repair the third section of the building. While this project is underway but prior to application of the new coating the third section of the headworks building will be inspected for condition assessment.

The reason this project is priced at \$6 million is directly associated with the contractors' risk. The contractor must bypass and treat 80 million gallons per day of wastewater flow with temporary equipment. This bypass is necessary due to the current configuration of the building. The current configuration does not allow for isolation of any of the areas stated above. The second part of this project consists of the installation of two removable stop plates. These new stop plates will enable the building to be isolated into two flow channels. The use of one channel will enable the maintenance of the other channel without bypassing the entire building.

Forty one prospective proposals were downloaded from bids online; three were received and opened on August 20, 2013. Evaluation of proposals was based on; technical competence, team work, understanding the City's performance requirements, related experience, record of performance on similar projects, ability to meet identified schedule, conformance to the proposal guidelines, ability to provide performance bond, financial capability, references and price. Interviews of the three different proposers were held on January 21, 2014. The interviews were held at the RWRF. The evaluation committee consisted of four Wastewater Management Division staff, the City of Clovis Assistant Director of Public Utilities, and a Purchasing Division staff member as facilitator. During the interview process each proposing team was evaluated on their approach to the project. The one critical point for the review during the selection phase was the approach taken by each contractor to bypass and the temporary treatment of the wastewater flows and the repair of the sewer piping when the project is completed.

The City Attorney has reviewed and approved as to form these contract documents.

## **ENVIRONMENTAL FINDINGS**

Staff has performed an environmental assessment of this project and has determined that it falls within a Class 1 Categorical Exemption set forth in CEQA Guidelines, Section 15301(b) (Existing Facilities) and 15301 (d) (Restoration or Rehabilitation), because this project involves the rehabilitation of an existing structure which has deteriorated to a point where it requires repair.

## **LOCAL PREFERENCE**

Local preference did not impact the award of this project because this is a design build project and not a bid project. Design build projects are awarded based on the best value to the City. Even though local preference did not impact the award it is worth noting that Floyd Johnston Construction is a Clovis based company.

## **FISCAL IMPACT**

This project has no impact to the General Fund and is located in Council District 3. This project is identified in the five-year capital improvement plan and included in the five-year rate model. Funds in the amount of \$2,000,000 for the construction project are budgeted in the 2014 Sewer Enterprise Fund No. 40501. The fiscal impact of this contract will be \$6,512,960. Funds do exist and are available in the Sewer Enterprise Fund 40501. An AAR is necessary to move the additional funding for this project from the Sewer Enterprise Operating Fund.

### Attachments:

- Annual Appropriations Resolution
- Report from Evaluation Committee
- Bid Evaluation
- Fiscal Impact Statement

**This page intentionally left blank.**

Report from Evaluation Committee  
RFP No. 3201, Design-Build Stop Plate

**REPORT FROM EVALUATION COMMITTEE  
REQUEST FOR PROPOSAL FOR  
DESIGN-BUILD HEADWORKS BUILDING CONCRETE REPAIR AND STOP PLATE  
INSTALLATION**

**COMMITTEE MEMBERS:**

Stephen Hogg Assistant Director Department of Public Utilities, Wastewater Management  
Lisa Koehn, Assistant Public Utilities Director, of Clovis, Ca.  
Kevin Norgaard Supervising Professional Engineer, Department of Public Utilities – Wastewater  
Barry Schwartz Chief of Wastewater Maintenance Department of Public Utilities, Wastewater

Jean Runnels Senior Buyer City of Fresno, General Services Department **Purchasing Facilitator**

**BACKGROUND:**

The goal of this Request for Proposal (RFP) was to solicit proposals to provide the design-build of concrete repairs and the installation of two stop plates. The scope of work includes design and the temporary construction necessary to divert flows around the existing bar screen, wet well and grit basins, the design and repair of existing concrete surfaces necessary to restore structural integrity and the application of a coating, coating curing and returning the building to service to repair the deteriorating concrete walls and ceiling and the installation of two new stop plates located in the Headworks building at the City of Fresno Department of Public Utilities Wastewater Management Division at the Regional Wastewater Reclamation Facility 5607 W. Jensen, Fresno 93706..

The work consists of cleaning and rehabilitation of all exposed concrete surfaces within the Headworks Building downstream of the influent pumps up to and including the grit basin outlet box followed by application of a corrosion resistant protective coating.

The intent of this project is to allow the Proposer to select the most reliable cost effective routing of wastewater which will allow continued treatment of the wastewater to a level in accordance with the RWRF Waste Discharge Permit.

**EVALUATION BY COMMITTEE:**

Forty One prospective proposals were downloaded from bids online and only three were received and opened on August 20, 2013. Evaluation of proposals were based on; technical competence, team work, understanding the City's performance requirements, related experience, record of performance on similar projects, ability to meet identified schedule, conformance to the proposal guidelines, ability to provide performance bond, financial capability, references and Price.

Floyd Johnston.

This proposer met requirements of the RFP and submitted the second lowest proposal with no exceptions for total net guaranteed max price proposal amount. This proposer conformed to all the RFP requirements, and is a local vendor. A vendor presentation was held on January 21, 2014 and the only information lacking from their presentation was how the company would remove grit. Therefore, the City requested that the company provide additional information no later than January 31, 2014. The information submitted was submitted and meet the city's needs to remove grit from the bypass system without using the primary clarifiers. Their submitted references were verified and their financials were reviewed. After careful consideration and evaluation of the proposal, presentation and additional information the Evaluation Committee believes that Floyd Johnston Constructions proposal is the best value for the City. Overall, the

## Report from Evaluation Committee

RFP No. 3201, Design-Build Stop Plate

Committee believed Floyd Johnston understood the modifications to the Headworks Building and offered a very comprehensive proposal. This proposer best meets the criteria of the RFP.

### C. Overaa & Co.):

This proposer took exceptions to the statement of acceptance of the agreement requirements, which clearly state in the spec doing so may render the proposal non-responsive. This proposer submitted the lowest proposal for total net guaranteed max price proposal amount. A vendor presentation was held on January 21, 2014. The proposer stated they didn't review the technical's as stated in the city's design so therefore they would need to redo their design work and resubmit, they also suggested a product that posed a problem in a past city project and there was an issue with the timeframe specified in the proposal. The Committee was impressed with the experience and qualifications of the proposer. However, this proposer did not clearly convey a full understand the concrete repair and stop plate project. Their submitted references were verified and their financials were reviewed.

### Meyers and Sons Construction

This proposer did not take exceptions, but a critical portion of this project consisted of proposers submitting a design that would include the removal of grit. A vendor presentation was held on January 21, 2014. The proposer stated they had no grit removal included in their proposal and they assumed shoring in their proposal. This proposer submitted the third lowest proposal for total net guaranteed max price proposal amount. The Committee was impressed with the experience and qualifications of the proposer. However, this proposer clearly did not understand the concrete repair and stop plate project. Their submitted references were verified and their financials were reviewed.

## **RECOMMENDATION**

1. The Committee recommends award of a contract to Floyd Johnston for \$6,367,960.00

See attached

Summary of Information Submitted by Proposers

**REPORT EVALUATION COMMITTEE FOR HEADWORKS BUILDING CONCRETE REPAIR AND STOP PLATE BID FILE 3201**

<b>PROPOSERS</b>	<b>Overaa</b>	<b>Floyd</b>	<b>Myers</b>
<b>CRITERIA</b>			
Technical Competence and experience of project team members on project with similar scope and performance requirements	Yes	Yes	Yes
Experience of team working together on previous projects and on development, design/build and operation project similar in scope and performance to this project	Yes	Yes	Yes
Technical soundness to approach to scope of work and understanding of the City's performance requirements.	No	Yes	No
Adquacy, related experience and availability of staffing and in-house or sub-consultant resources.	Yes	Yes	Yes
Satisfactory record of performance on similar projects.	Yes	Yes	Yes
Ability to meet identified schedule.	See Page 6.4 they took exceptions	Yes	Yes
Conformance with the proposal guidelines and format outlined in this Request for Proposals.	No	Yes	Yes
Ability to provide performance bond and other security for performance for the project.	Yes	Yes	Yes
Financial capability to guarantee cost and bear expenses above that cost.	Yes	Yes	Yes
Financials Submitted to Be Checked	Provided	Provided	Provided
Total Net Guaranteed Max. Price Proposal Amount	\$5,819,000.00	\$6,357,960.00	\$7,011,000.00
References	2 out of 2	1 out of 4	2 out of 3
<b>Proposers Location</b>	Richmond Ca	Clovis, Ca	Sacramento, Ca
<b>REVIEW NOTES:</b>	Sited by OSHA pg 1.11 - Exceptions Pg 1.20 Agreement Requirements-		

12/20/2013 Revised

**LISTING OF PROPOSERS**

FOR: REQUEST FOR PROPOSALS FOR DESIGN-BUILD HEADWORKS BUILDING REPAIR AND STOP PLATE INSALLATION AT FRESNO/CLOVIS WRF

RFP No. 3201  
RFP Opening: 10/15/13

PROPOSER'S	TOTAL PROPOSAL AMOUNT
1. C. OVERAA & CO. 200 PARR BOULEVARD RICHMOND, CA. 94801	\$5,819,000.00
2. FLOYD JOHNSTON CONSTRUCTION, CO. INC 2301 HERNDON CLOVIS, CA. 93611	\$6,367,960.00
3. MYERS & SONS CONSTRUCTION, LP 2554 MILLCREEK DRIVE SACRAMENTO, CA. 95833	\$7,011,000.00

Each proposer has agreed to allow the City one hundred sixty (160) days from date proposals were opened to accept or reject their proposal.

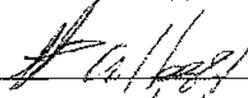
**DEPARTMENT CONCLUSIONS AND RECOMMENDATION:**

Award a contract in the amount of \$ 6,367,960.00 to Floyd Johnston Construction Company Inc in accordance with the Selection Committee recommendation.

Reject all proposals. Reason:

Remarks:

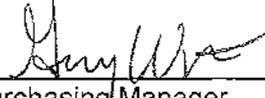
Division Head Approval

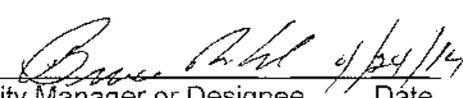
  
 Title Assistant Director Public Utilities  
 Date 4-23-14

- Approve Dept. Recommendation       Approve Finance/Purchasing Recommendation
- Disapprove       Disapprove
- See Attachment

FINANCE DEPARTMENT

CITY MANAGER

  
 Purchasing Manager      4/29/14  
 Date

  
 City Manager or Designee      4/29/14  
 Date

  
 Assistant Controller      4/24/2014  
 Date

**FISCAL IMPACT STATEMENT**

PROGRAM: HEADWORKS COATING REPAIR AND STOP PLATE  
INSTALLATION

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	\$ <u>6,367,960.00</u>	_____
Indirect Cost	\$ <u>145,000.00</u>	_____
TOTAL COST	\$ <u>6,512,960.00</u>	_____
Additional Revenue or Savings Generated	\$ <u>0.00</u>	_____
Net City Cost	\$ <u>6,512,960.00</u>	_____
Amount Budgeted (If none budgeted, identify source)	\$ <u>2,000,000.00</u>	_____

<u>Indirect Costs</u>	
City Inspection	\$50,000
Administration	\$10,000
Contract Compliance	\$35,000
Outside Inspection	\$50,000

**This page intentionally left blank.**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO  
ADOPTING THE 46<sup>TH</sup> AMENDMENT TO THE ANNUAL APPROPRIATION  
RESOLUTION NO. 2013-98 APPROPRIATING \$4,458,000 FOR THE  
FRESNO/CLOVIS REGIONAL WASTEWATER RECLAMATION FACILITY  
HEADWORKS BUILDING COATING REPAIR AND STOP PLATE  
INSTALLATION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT PART III of the Annual Appropriation Resolution No. 2013-98 be and is hereby amended  
as follows:

	<u>Increase/(Decrease)</u>
TO: DEPARTMENT OF PUBLIC UTILITIES	
Wastewater Operating	\$ 4,458,000

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

Wastewater Operating

Retained Earnings:

Account: <b>25300</b> Unreserved/Undesignated	<u>\$ 4,458,000</u>
Fund: <b>40501</b>	
Org Unit: <b>414501</b>	

Total Retained Earnings	<u>\$ 4,458,000</u>
-------------------------	---------------------

Appropriations:

Account: <b>57507</b> Contract Construction	<u>\$ 4,458,000</u>
Fund: <b>40501</b>	
Org Unit: <b>414501</b>	
Project: <b>TC00080</b>	

Total Appropriations	<u>\$ 4,458,000</u>
----------------------	---------------------

THAT the purpose is to appropriate \$4,458,000 for the Fresno/Clovis Regional Wastewater  
Reclamation Facility Headworks Building coating repair and stop plate installation.

- 1 -

Date Adopted:  
Date Approved:  
Effective Date:

Resolution No.

CLERK'S CERTIFICATION

STATE OF CALIFORNIA }  
COUNTY OF FRESNO } ss.  
CITY OF FRESNO }

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the \_\_\_\_\_ Day of \_\_\_\_\_, 2014

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

Mayor Approval: \_\_\_\_\_, 2014  
Mayor Approval/No Return: \_\_\_\_\_, 2014  
Mayor Veto: \_\_\_\_\_, 2014  
Council Override Veto: \_\_\_\_\_, 2014

\_\_\_\_\_  
YVONNE SPENCE, CMC  
City Clerk

Date Adopted:  
Date Approved:  
Effective Date:

Resolution No.