

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Palm Court Gravity Sewer
DATE: May 20, 2008

NEEDS: For the City Council to consider awarding a contract to install a gravity sewerline at Palm Court and remove Lift Station No. 9.

- FACTS:**
1. Palm Court Lift Station No. 9 was installed in 1983 and serves twelve residents.
 2. Upgrade of the old lift station is required. However, upon further review, it was determined that it would be more efficient to replace the lift station with a gravity sewer.
 3. The project was advertised for bid on April 7, 2008.
 4. At the bid opening on May 8, 2008, the City received ten bids:

Sansone Company	\$ 263,829. ²²
D-Kal Engineering	265,111
MGE Underground.....	265,225
HPS Mechanical.....	295,346
R. Burke Corporation.....	301,002
Whitaker Contractors.....	311,106
John Madonna Construction	312,891
R. Baker, Inc.....	338,110
Specialty Construction	342,582
Ahrens Corporation	398,680

5. The low bid submitted by Sansone Company was reviewed by staff and found to be a responsible and responsive bid.

**ANALYSIS &
CONCLUSION:**

- A gravity sewer line would provide the following benefits:
- a. Serve additional residents beyond the twelve now served,
 - b. Reduce on-going maintenance costs of the lift station (estimated at \$46,000/year),
 - c. Eliminate electrical costs (estimated at \$300/year),
 - d. Provide increased dependability to the residents.

POLICY

REFERENCE: Adopted Capital Improvement Plan

FISCAL

IMPACT:

The budget adopted for this project is \$710,000 under Budget No. 221.910.5452.575. There is a remaining balance of \$580,000 to construct the gravity sewerline. It is anticipated that the funding needs are as follows:

Contract	\$ 263,829. ²²
Construction Services	70,000
15% Contingency	<u>40,000</u>
Total	\$ 373,829. ²²

Cash balance available for projects from the Sewer Funds is as follows:

Operations	\$8,700,000
Connection Fees	<u>4,000,000</u>
Total	\$12,700,000

Projects that are being considered for award are as follows:

	Total	% Operations	% Connection Fees
River Road Sewer (with road closure)	\$5,277,000	50% or \$2,638,500	50% or \$2,638,500
Sodium Hypochlorite	\$1,500,000	70% or \$1,050,000	30% or \$450,000
Palm Court Sewer	\$375,000	30% or \$112,500	70% or \$262,500
WWTP Upgrade Design & Oversight	\$1,270,000	100% or \$1,270,000	
	\$8,422,000	\$5,071,000	\$3,351,000

OPTIONS:

- a. Award a contract to replace the Palm Court Lift Station with a gravity sewerline to Sansone Company in the amount of \$263,829.²²
- b. Amend, modify, or reject the above option.

Prepared by: Ditas Esperanza, P.E., Capital Projects Engineer

Attachments (1)
1) Resolution

RESOLUTION NO. 08-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING A CONTRACT FOR INSTALLATION OF
A GRAVITY SEWER PIPELINE AT PALM COURT

WHEREAS, Palm Court Lift Station is in need of upgrades; and

WHEREAS, staff has determined that it would be more efficient to replace the lift station with a gravity sewer; and

WHEREAS, bid documents were prepared and advertised, and at the bid opening on May 8, 2008, ten bids were received ranging in price from \$263,829.22 to \$398,680; and

WHEREAS, staff reviewed the low bid submitted by Sansone Company and found it to be a responsive and responsible bid; and

WHEREAS, the budget adopted for this project is \$710,000 under Budget No. 221.910.5452.575, and there is a remaining balance of \$580,000 to construct the gravity sewerline.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of El Paso de Robles does hereby authorize the City Manager to award the contract to Sansone Company in the amount of \$263,829.22.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 20th day of May 2008 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Frank R. Mecham, Mayor

Deborah D. Robinson, Deputy City Clerk