

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Award Construction Contract for Paso Robles Street/13th Street Sewer Mains and Lift Station No. 5 Upgrades
DATE: January 17, 2012

NEEDS: For City Council to consider awarding a construction contract to upgrade sewer mains, at Paso Robles Street and 13th, and Lift Station No. 5.

FACTS:

1. The Wastewater Maintenance Plan identified a need to upgrade and rehabilitate the existing sewer mains at Paso Robles and 13th Streets. The sewer main is a 10-inch diameter cast iron pipe installed in 1956. This pipe requires frequent maintenance and shows evidence it is deteriorating.
2. Lift Station No. 5, built in 1977, is located on the west side of Riverside at 12th Street, across from the Water Yard. Wastewater staff identified this lift station as part of the necessary sewer main upgrades in Paso Robles and 13th Streets:
 - the pumps need to be upgraded for more efficient system;
 - the appurtenant pipe system and rails are deteriorating;
 - the motor panel is old and needs to be updated;
 - there is no odor control system on the existing lift station.
3. Bid documents were prepared and the project was advertised for bids.
4. At the bid opening on December 22, 2011, nine bids were received as follows:

D-Kal Engineering	\$ 707,523.00
R. Baker, Inc.	735,212.67
Arthurs Contracting	809,328.00
Raminha Construction	846,420.00
Specialty Construction	855,881.50
Whitaker Construction	858,600.00
Madonna Construction	868,319.00
HPS Mechanical	903,890.00
MGE Underground	958,028.00

ANALYSIS &

CONCLUSION: Staff reviewed the low bid submitted by D-Kal Engineering and found it to be a responsive and responsible bid.

POLICY

REFERENCE: Wastewater Operations Manual

FISCAL

IMPACT: The financial model that formed the basis of the new sewer rates anticipates the Wastewater Division will expend up to \$1,280,000 on capital expenditures for fiscal year 2012 and will end the fiscal year with a projected \$2,279,000 in reserves. The proposed expenditure is the only new capital expenditure planned for this fiscal year and is significantly less than the budgeted amount. Furthermore, other Wastewater

Division expenses to date have been significantly less than projected due to less than expected increases in costs and careful management. This expenditure will not adversely affect the health of the Sewer Fund or the wastewater treatment plant upgrade project. The City will not incur additional significant costs for the wastewater treatment plant upgrade until next fiscal year and those project costs will be financed.

The proposed expenditure is much less than the potential consequences of doing nothing. The sewer lines this project will replace are in extremely poor condition and in danger of failure. For example, a cast iron segment beneath U.S. 101 is corroded, shallow, and could collapse at any time, which would require expensive emergency repairs. The existing sewer lines are very close to the Salinas River. Failure of the sewers could cause raw sewage to spill into the River, which could affect public health and result in costly fines.

OPTIONS:

- a. Adopt Resolution No. 12-xx awarding a construction contract for Paso Robles Street/13th Street Sewer Main and Lift Station No. 5 Upgrades to D-Kal Engineering in the amount of \$707,523.
- b. Amend, modify, or reject the above option.

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

Attachments: Resolution

RESOLUTION NO. 12-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING A CONTRACT TO UPGRADE SEWER MAINS AT PASO ROBLES & 13 STREETS
AND TO UPGRADE LIFT STATION NO. 5

WHEREAS, the Wastewater Maintenance Plan identified a need to upgrade and rehabilitate the existing sewer mains at Paso Robles and 13th Streets (the sewer main is a 10-inch diameter cast iron pipe installed in 1956, requires frequent maintenance, and is showing evidence of deterioration); and

WHEREAS, Wastewater staff identified Lift Station No. 5 as being in need of upgrade as part of the necessary sewer main upgrades in Paso Robles and 13th Streets (the lift station was built in 1977); and

WHEREAS, bid documents were prepared and advertised, and at the bid opening on December 22, 2011, nine bids were received ranging in price from \$707,523 to \$958,028; and

WHEREAS, staff reviewed the low bid submitted by D-Kal Engineering and found it to be a responsive and responsible bid; and

WHEREAS, funds for this project are available in the Capital Improvement Projects Budget.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of El Paso de Robles does hereby award a construction contract for upgrades of sewer mains at Paso Robles/13th Street and for upgrades to Lift Station No. 5 to D-Kal Engineering in the amount of \$707,523, and authorizes the City Manager to execute the contract.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 17th day of January 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Duane Picanco, Mayor

Caryn Jackson, Deputy City Clerk