

TO: City Council

FROM: Doug Monn, Public Works Director

SUBJECT: Construction of Nacimiento Water Treatment Plant

DATE: February 5, 2013

NEEDS: For the City Council to consider awarding contracts for construction of the City's Nacimiento Water Treatment plant.

FACTS:

1. The City has a 4,000 acre-feet per year entitlement from the Lake Nacimiento Pipeline Project. To use Nacimiento for direct potable use, the City must construct a WTP.
2. In November 2011 City Council established water-related priorities for capital projects.
3. City Council identified the design and construction of a 2.4 million-gallon-per-day (MGD) water treatment plant as the single highest priority for the water division. City Council directed staff to:
 - Design the plant;
 - Advertise for construction bids and engage construction management services.
4. Construction Plans and specifications were completed in December 2013.
5. In August 2013 the City pre-qualified ten (10) general contractors and three (3) control system integrators (subcontractors) for bidding to ensure the construction firms competing for the work have the experience, good performance, financial capacity, and safety record necessary to deliver a project of this size and complexity.
6. Construction bids were solicited from pre-qualified contractors. The City received a total of six (6) construction bids. Cushman Contracting Corp. submitted the lowest bid at \$10.986M.

General Contractor	Bid Amount
Cushman Contracting	\$10.9860M
Anderson Pacific Eng.	\$11.0914M
CW Roen Construction	\$11.3600M
WM Lyles Company	\$11.5194M
Syblon Reid General Eng	\$12.3114M
Speiss Construction Co.	\$12.5692M

7. In September 2013 City Council awarded a Construction Management Contract to AECOM.
8. The low bid amount is consistent with the Engineers estimate of \$10.45M.

ANALYSIS &

CONCLUSION: City staff and AECOM evaluated the low bid submitted by Cushman Contracting and found it responsive and responsible. Staff recommends award of a contract to Cushman for \$10.9860M. Given the complexities associated with constructing a water treatment plant a construction contingency budget of 10% is recommended (\$1.096M).

Should City Council award the work tonight, staff is prepared to notify Cushman Contracting Corp. to proceed with construction in early March. Construction should be in full swing by late spring and completed by summer 2015. Staff will provide City Council quarterly status updates throughout the construction period.

POLICY

REFERENCE: Economic Strategy; Integrated Water Resource Plan, Urban Water Management Plan.

FISCAL

IMPACT: This construction contract is a planned Project cost that will be paid for from the Water Fund cash reserves. The Current Water fund Balance is \$17.832M and award of this contract will reduce this amount to \$6.864M

Contract Amount: \$10.986M

10% Contingency: \$1.096M

Total Amount: \$12.082

OPTIONS:

- a. Adopt Resolution No. 14-XXX, to Award a contract to Cushman Contracting Corp. and authorize the City Manager to enter into a contract for construction of a 2.4 MGD Nacimiento Water Treatment Plant for \$10.9860M and approve a 10% contingency budget of \$1.0986M.
- b. Amend, modify or reject the above option.

ATTACHMENT:

Resolution No. 14-XXX

RESOLUTION NO. 14-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING A CONTRACT TO CUSHMAN CONTRACTING CORP.
FOR CONSTRUCTION OF THE CITY'S WATER TREATMENT PLANT

WHEREAS, the City of Paso Robles must construct a surface-water treatment plant to treat water from Lake Nacimiento. The project is necessary to increase the quantity and reliability the City's water supply;

WHEREAS, the City Council has categorized the construction of a surface-water treatment plant as the highest priority for the City's water utility;

WHEREAS, the City completed design, advertised and received competitive bids for construction;

WHEREAS, Cushman Contracting Corp submitted the lowest responsive and responsible bid;

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council does hereby authorize the City Manager to enter into a contract with Cushman Contracting Corp. for construction of the Paso Robles Water Treatment Plant in an amount of \$10.986M plus \$1.0986M (10%) contingency and authorizes the City Manager to execute the contract.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 18th day of February 2014, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Duane Picanco, Mayor

Caryn Jackson, Deputy City Clerk