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**Title:** Action pertaining to the construction of South Industrial Collection System Infrastructure Project (Bid File 3435) (Council District 3 and Fresno County)

1. \*\*\*RESOLUTION - 34th Amendment to the Annual Appropriation Resolution No. 2015-104 appropriating \$1,860,000 for the Construction of South Industrial Collection System Infrastructure Project (Requires 5 affirmative votes)
2. Award a construction contract in the amount of \$5,089,853 to Emmett’s Excavation Inc. of Fresno, California
3. Approve the Agreement for Repair of Fresno County roads for the Construction of South Industrial Collection System Infrastructure Project

**Sponsors:** Department of Public Utilities

**Indexes:**

**Code sections:**

**Attachments:** 1. 2016-03-31 South Industrial Infrastructure Project AAR.pdf, 2. 2016-03-31 South Industrial Infrastructure Project Bid Eval.pdf, 3. 2016-03-31 South Industrial Infrastructure Project Fiscal Impact Statement.pdf, 4. 2016-03-31 South Industrial Infrastructure Project Vicinity Map.pdf, 5. 2016-03-31 South Industrial Infrastructure Project County Road Repair Agreement.pdf, 6. 2016-03-31 South Industrial Infrastructure Project Notice of Determination.pdf

Date	Ver.	Action By	Action	Result
3/31/2016	1	City Council	approved	Pass

**REPORT TO THE CITY COUNCIL**

**March 31, 2016**

**FROM:** THOMAS C. ESQUEDA, Director  
Department of Public Utilities

**THROUGH:** KEVIN L. NORGAARD, PE, Supervising Professional Engineer  
Department of Public Utilities - Wastewater Management Division

**BY:** ORLANDO M. GONZALEZ, PE, Engineer II  
Department of Public Utilities - Wastewater Management Division

**SUBJECT**

Action pertaining to the construction of South Industrial Collection System Infrastructure Project (Bid File 3435) (Council District 3 and Fresno County)

1. \*\*\*RESOLUTION - 34<sup>th</sup> Amendment to the Annual Appropriation Resolution No. 2015-104 appropriating \$1,860,000 for the Construction of South Industrial Collection System Infrastructure Project (Requires 5 affirmative votes)
2. Award a construction contract in the amount of \$5,089,853 to Emmett's Excavation Inc. of Fresno, California
3. Approve the Agreement for Repair of Fresno County roads for the Construction of South Industrial Collection System Infrastructure Project

## RECOMMENDATION

Staff recommends the City Council approve the award of the construction contract to Emmett's Excavation Inc., appropriate the project funding for the Construction of South Industrial Collection System Infrastructure Project, approve the Agreement for Repair of Fresno County roads, and authorize the Director of Public Utilities or designee to sign the County Agreement on behalf of the City.

## EXECUTIVE SUMMARY

The Department of Public Utilities (DPU), Wastewater Management Division is seeking to adopt the 34<sup>th</sup> Amendment to the AAR No. 2015-104, and award a \$5,089,853 construction contract to Emmett's Excavation Inc. of Fresno, California, as the lowest responsive and responsible bidder. DPU is also seeking the approval of the Agreement for Repair of Fresno County roads and the authorization for the Director of Public Utilities or designee to sign the County Agreement on behalf of the City. The County requires a repair agreement for the road surfaces where the new pipe is installed. The South Industrial Collection System Infrastructure Project is consistent with the general plan projections.

## BACKGROUND

In 2003 the City of Fresno Public Works Department began an environmental study and design for the Cherry Avenue lift station and sewer. The lift station was constructed in 2009 along with new large diameter sewer in Cherry Avenue from Jensen to Central Avenues and in Central Avenue from Cherry to Cedar Avenues. The project was constructed to implement the General Plan. Subsequently, a network of sewer mains to serve the area was designed to provide sanitary sewer service for existing and future development in the South Industrial area of Fresno, consistent with the New General Plan. The Project takes into account existing water, storm drain, access, existing property operations, Fresno Irrigation District (FID), facilities, and alignments of existing utilities north of the Project limits.

This Project includes the construction of new sanitary sewer lines and fiber optic conduit within Cedar Avenue from Malaga Avenue north to Muscat Avenue, within Orange Avenue from Malaga Avenue north to Fortune Avenue, in East Avenue from Central Avenue north approximately 3,200 feet, in Malaga Avenue between Orange Avenue and Cedar Avenue, and in Central Avenue from Cedar Avenue east to the BN&SF Railroad. The Project provides City sewer connection points for service to the areas tributary to said sewer lines. Project elements include the construction of new sewer lines within the existing rights of way of Cedar Avenue, Orange Avenue, East Avenue, Malaga Avenue, and Central Avenue. Part of the installation required the acquisition of new street easements in East Avenue, Orange Avenue, and Cedar Avenue, where no street easement previously existed. The County will require execution of an agreement between the City of Fresno

and County of Fresno for the Repair of County Roads in the Project limits.

In addition, the project will meet the General Plan requirements and the Sewer System Master Plan projections. The project area is projected to develop into an area of heavy industry. New sewer infrastructure and communications capabilities are required to meet General Plan projections. This project will include pavement restoration of the existing roadways disturbed by the construction. The project will require temporary road closures and detours during construction.

Plans and specifications were prepared for the project. A Notice of Inviting Bids was published on January 4, 2016, posted on the City's website, and faxed to twelve building exchanges. The specifications were distributed to 60 prospective bidders. Seven sealed bid proposals were received and publicly opened on February 2, 2016. Bid proposal prices range from \$5,089,853 to \$7,744,774.

Staff has determined that Emmett's Excavation, Inc. of Fresno, California is the lowest responsible and responsive bidder with a submitted bid of \$5,089,853. Their bid price is 24% below the Engineer's Estimate of \$6,737,098. The staff determination was posted on the City website on February 29, 2016.

## **ENVIRONMENTAL FINDINGS**

A Mitigated Negative Declaration (MND) was adopted by the Council on October 22, 2015 for this Project. An analysis has been performed pursuant to CEQA Guidelines §15162 to determine whether subsequent environmental review is required for the Project. Based on this analysis the following findings are made to support the determination that no subsequent environmental review is required:

1. No substantial changes are proposed in the Project which will require major revisions of the previous MND due to the involvement of new significant environmental effects, or a substantial increase in the severity of previously identified significant effects.
2. No substantial changes occur with respect to the circumstances under which the Project is undertaken which will require major revisions of the previous MND due to the involvement of new significant environmental effects, or a substantial increase in the severity of previously identified significant effects.
3. There is no new information which was not known or could not have been known at the time of the previous MND that the Project will have significant effects not discussed in the MND.

Furthermore, since a MND was previously adopted for this Project, the considerations set forth in CEQA Guidelines §15162(a)(3)(C) and (D), related to the adequacy and feasibility of previously adopted mitigation measures, are not applicable. Based upon these findings, it has been determined that no further environmental documentation is required for this Project.

## **LOCAL PREFERENCE**

Local preference was not implemented; Emmett's Excavation Inc. is the lowest responsive and responsible bidder and is a local business.

## **FISCAL IMPACT**

This project has no impact to the General Fund and is located in Council District 3 and Fresno County. This project is identified in the current financial plan and the five year CIP model. The funds do exist for this project in the sewer enterprise fund number 40501. The annual operations and maintenance for this asset will be funded from existing Fund 40501 Org 414008 Wastewater Collection Appropriation.

### Attachments:

34<sup>th</sup> AAR No. 2015-104

Bid Evaluation

Fiscal Impact Statement

Vicinity Map

County Road Repair Agreement

Notice of Determination