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Title: Actions pertaining to sewer rehabilitation and replacement in North Central Downtown (Council District 3)
1. Adopt findings of Categorical Exemption of Class 1, pursuant to Section 15301(b) (Existing facilities of both investor and publicly-owned utilities) and Class 2, pursuant to Section 15302(c) (Replacement or reconstruction) of the California Environmental Quality Act Guidelines, and
2. Award a construction contract in the amount of \$1,526,786 to Bill Nelson GEC., Inc. of Fresno California

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. 2016-10-13 Bid Eval signed.pdf, 2. 2016-10-13 Vicinity Map.pdf

Date	Ver.	Action By	Action	Result
10/13/2016	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

October 13, 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: PATRICIA DIEP, Supervising Engineering Technician
Department of Public Utilities - Wastewater Management Division

SUBJECT

Actions pertaining to sewer rehabilitation and replacement in North Central Downtown (Council District 3)

1. Adopt findings of Categorical Exemption of Class 1, pursuant to Section 15301(b) (Existing facilities of both investor and publicly-owned utilities) and Class 2, pursuant to Section 15302(c) (Replacement or reconstruction) of the California Environmental Quality Act Guidelines, and
2. Award a construction contract in the amount of \$1,526,786 to Bill Nelson GEC., Inc. of Fresno California

RECOMMENDATIONS

Staff recommends that Council adopt findings of Categorical Exemption of Class 1 pursuant to Section 15301(b) (Existing facilities of both investor and publicly-owned utilities) and Class 2, pursuant to Section 15302(c) (Replacement or reconstruction) of the California Environmental Quality Act (CEQA) Guidelines and award a construction contract in the amount of \$1,526,786 to Bill Nelson GEC., Inc. of Fresno.

EXECUTIVE SUMMARY

The Department of Public Utilities, Wastewater Management Division (Department) is seeking to award a construction contract to Bill Nelson GEC, Inc. for the rehabilitation and replacement of sewer in North Central Downtown. The existing sewer is vitrified clay pipe and dated back to 1889, with an average age of 120 years. The portions of sewer needing rehabilitation are to remedy current structural deficiencies and restored the design life of the pipe and the portions of sewer needing to be replaced are necessary to increase the pipe size of certain sewers to comply with the City Standard design requirements. Staff is seeking to award a contract in the amount of \$1,526,786 to Bill Nelson GEC., Inc.

BACKGROUND

In conjunction with the Downtown Revitalization Planning, the Collection System Maintenance work group performed an inspection of the Downtown sewer systems. The goals of these inspections were to evaluate the structural and capacity handling condition of all the downtown sewers. The investigation was completed using Closed Circuit Television (CCTV). Through this investigation some pipes were found to have structural deficiencies such as holes, cracks and voids, some were found to be past the design useful life and others were undersized per the City Standard design requirements. These deficient areas must be rehabilitated, removed or replaced.

The project sewers range in size from 6 to 8 inches in diameter with the majority being 6 inches in diameter. All of the project sewers are vitrified clay pipe. These pipes range in ages from 104 to 127 years old with an average age of 120 years.

Plans and specifications were prepared for the project. A Notice Inviting Bids was published on July 22, 2016, and posted on the City's website. The specifications were distributed to 53 prospective bidders, and faxed to seven Builder Exchanges. The Bid will expire within 64 days of bid opening which is October 26, 2016. Four sealed bid proposal was received and publicly opened on August 30, 2016. The bid proposal price range from \$1,526,786 to \$1,913,149.

Staff has determined Bill Nelson GEC., Inc.; of Fresno, California is the lowest responsive and responsible bidder with a submitted bid of \$1,526,786. Its bid price is 1.8% above the budget allocation of \$1,500,000. Staff determination was posted on the City Website on September 12, 2016.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary Environmental Assessment for rehabilitation and replacement in North Central Downtown and has determined that it falls within Class 1 and 2 Categorical Exemption set forth in CEQA Guidelines, Section 15301(b) (Existing facilities of both investor and publicly-owned

utilities) and Section 15302(c) (Replacement or reconstruction). Due to the nature of this construction contract involving minor repair and rehabilitation of existing public sewer utilities, this project will involve negligible or no expansion of capacity or use. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference was not implemented because the lowest responsive and responsible bidder is a local business.

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. Funds in the amount of \$1,602,000 are budgeted in the 2016 Sewer Enterprise Fund No. 40501. The fiscal impact of this contract will be \$1,584,986.

Attachments:

- Bid Evaluation and Fiscal Impact Statement
- Vicinity Map