

“Placerville, a Unique Historical Past Forging into a Golden Future “



City Manager's Report

November 13, 2018 City Council Meeting

Prepared by: A. Cory Schiestel, Associate Civil Engineer

Item #: 12.2

Subject: Adopt a Resolution:

1. Approving a Construction Contract with C.E. Cox General Engineering, Inc. for the Sierra Tank Bypass Project (CIP #41404) in an amount not to exceed \$421,860 and authorizing the City Manager to execute said contract; and
2. Approving a budget appropriation in the amount of \$497,300 from the Measure L Fund for the said project; and
3. Approving a budget appropriation in the amount of \$10,400 in El Dorado Irrigation District revenues for the said project; and
4. Approving a \$359,600 Measure L Fund budget liquidation from the Cedar Ravine Road Sewer Line Repair project (CIP #41825); and
5. Approving a \$21,700 Measure L Fund budget liquidation from the Culvert Pipe Replacement at Airport Road Broadway (CIP #41826); and
6. Approving a \$80,000 Measure L Fund budget liquidation from the Ray Lawyer Drive Pavement Rehabilitation-From Placerville Drive to Fair Lane project (CIP #41906); and
7. Approving a \$9,000 Measure L Fund budget liquidation from the Green Valley Road Crack Seal and Slurry Between Placerville Drive and the City Limits project (CIP #41830); and
8. Approving a \$5,000 Measure L Fund budget liquidation from the Placerville Drive Crack Seal and Slurry Between Ray Lawyer Drive and Highway 50 project (CIP #41831); and
9. Approving a \$22,000 Measure L Fund budget liquidation from the Martin Lane Pavement Repair project (CIP #41827); and
10. Authorizing the City Manager to negotiate and execute any necessary Contract Change Orders with C.E. Cox General Engineering up to \$25,000 per change order for the said project for a not-to-exceed aggregate amount of \$83,640. The said change order(s) shall be brought to the next available City Council meeting for ratification.

Purpose: To replace the Sierra Tank Water Supply facility, which was built in 1961 and has surpassed its useful service life and to bring this component of the City's water distribution system up to current regulations under Title 17 and Title 22 of the California Code of Regulations as enforced by the State Board's Division of Drinking Water.

Background:

The City's Fiscal Year 2013/2014 Capital Improvement Program Budget (CIP) included five water system projects funded by the Measure H sales tax. Among the five projects, the Sierra Tank Bypass Project (CIP #41404) was included and is described below.

On October 28, 2014, the City Council approved a consulting services agreement with Domenichelli and Associates (D&A) for the design services and preparation of a complete bid package for the Sierra Tank Bypass Project. On April 10, 2018 the City Council adopted a resolution authorizing Amendment #1 under the existing consulting services agreement with

D&A for \$13,700 to finalized bid documents, provide bidding services, and engineering construction support. On April 24, 2018, the City Council authorized staff to release the contract documents for public bidding, and bids were opened on May 24, 2018.

Discussion:

At the bid opening, Staff received one responsive bid from C.E. Cox General Engineering Inc. for \$421,860 (base bid) and an additional \$28,000 (optional bid) to cover private residential pressure regulators if necessary for a total bid amount of \$449,860 (base + optional).

The bid was found to be 33.49% above the Engineer's Estimate of \$337,000 (without contingency). Staff recommends proceeding with all items included in the base bid, but omitting the private residential pressure regulators as part of the public construction contract. Property owners will be given an opportunity to install private pressure regulators at their individual services prior to completion of construction at which such time the public improvements to the City distribution system would become active.

Staff performed an analysis of the bid proposal and found it to be in conformance with the requirements of the contract proposal terms, and C.E. Cox Engineering Inc. to be in good standing with current licenses. Additionally, C.E. Cox just recently completed construction on the City's Schnell School Pressure Reducing Station (CIP #41408) project on time and on budget. As such, staff deemed C.E. Cox Engineering to be the lowest responsive and responsible bidder for the project.

A contingency of \$83,640, representing 19.83% of the contract value, is also recommended if additional items are needed during construction. The extent of these items will not be fully known until the project is actively under construction. Staff's recommendation includes the request to grant the City Manager the authority to approve change orders expeditiously during construction to address items beyond the awarded contract scope of work and to prevent construction delay and associated costs. The City Manager will be able to negotiate any necessary contract change orders (CCOs) being requested for a not-to-exceed aggregate amount of \$83,640. The process for using this proposed authority would be based upon evaluation in the field during construction, review of force account options by the City Engineer, followed by recommendations to the City Manager to address the out of scope work that will deliver a more complete project. If time allows, staff will present any change orders to the City Council for approval prior to execution, otherwise staff will return to City Council for ratification as needed of the approved CCOs.

Project construction is not expected to be a long duration or heavily involved, therefore, Engineering Staff will administer Construction Management and Inspection (CM&I) of the project in-house. For budgeting purposes, full-time inspection, materials testing and construction staking costs are estimated to be \$46,000. If full-time CM&I services were contracted to an outside consultant, it is estimated it would cost approximately \$76,000. Furthermore, having Engineering staff perform the duties of the Resident Engineer consolidates two project team positions into one, resulting in significant project cost savings.

When construction commences, design revisions may be necessary as actual field conditions can differ from the project plans. To address such items, construction support engineering through the design firm is utilized, which is different than CM&I. D&A is already under contract with the City for these services as approved by City Council on April 10, 2018 through Amendment #1 to their existing contract.

As a result of the proposed project, an existing EID bulk water meter will require relocation. At the request of EID, staff has agreed to include the meter relocation as a bid item with the Sierra Tank Bypass Project. On April 24, 2018, Council approved the reimbursement agreement between the City and EID for this project with an estimated not-to-exceed amount of \$10,400. The work related to EID facilities includes installation of a new bulk meter, meeting EID current standards, as a bid item with the Sierra Tank Bypass Project. EID has agreed to supply materials including the new meter, vault, and appurtenances required for the relocation. Through the approved agreement, EID will reimburse the City for construction labor, support, and management costs associated with relocation work.

Options:

1. Approve the award of the construction contract to C.E. Cox General Engineering for the Sierra Tank Bypass Project, as recommended by staff.
2. Direct staff to negotiate different terms for the construction contract.

Cost:

The cost for the proposed construction contract with C.E. Cox General Engineering is \$421,860.

Budget Impact:

The City Council adopted the Fiscal Year 2013/2014 Capital Improvement Program Budget which appropriated \$57,500 for the Sierra Tank Bypass Project (CIP #41404). After staff received the updated Engineer's estimate with a substantial increase, the Measures H/L Sales Tax Committee approved the following budget recommendations at its October 19, 2017 meeting in order to fund an additional \$381,300 for the Sierra Tank Bypass project:

- Approve a \$359,600 Measure L Fund budget liquidation from the Cedar Ravine Road Sewer Line Repair project (CIP #41825); and
- Approve a \$21,700 Measure L Fund budget liquidation from the Culvert Pipe Replacement at Airport Road Broadway (CIP #41826)

After the bid came in higher than estimated, the Measures H/L Sales Tax Committee approved the following budget recommendations at its October 29, 2018 meeting in order to fund an additional \$116,000 for the Sierra Tank Bypass project:

- Approve a \$80,000 Measure L Fund budget liquidation from the Ray Lawyer Drive Pavement Rehabilitation-From Placerville Drive to Fair Lane project (CIP #41906); and
- Approve a \$9,000 Measure L Fund budget liquidation from the Green Valley Road Crack Seal and Slurry Between Placerville Drive and the City Limits project (CIP #41830); and
- Approve a \$5,000 Measure L Fund budget liquidation from the Placerville Drive Crack Seal and Slurry Between Ray Lawyer Drive and Highway 50 project (CIP #41831); and

- Approve a \$22,000 Measure L Fund budget liquidation from the Martin Lane Pavement Repair (CIP #41827); and

Accordingly, staff is recommending a budget appropriation of \$497,300 (\$381,300 + \$116,000) from the Measure L Fund for the Sierra Tank Bypass project. Staff also recommends a, \$10,400 budget appropriation in EID revenue for a total proposed project budget of \$565,200

The current and proposed project funding sources are as follows:

Funding Source	Adopted Project Budget	Proposed Project Budget	Increase/ (Decrease)
Measure H Fund	\$ 57,500	\$ 57,500	\$ -
Measure L Fund	-	497,300	497,300
EID Agreement Reimbursement	-	10,400	10,400
Total	\$ 57,500	\$ 565,200	\$ 507,700

The current and proposed project budgets are shown below:

Description	Adopted Project Budget	Proposed Project Budget	Increase/ (Decrease)
Construction	\$ 40,000	\$ 421,860	\$ 381,860
Construction Engineering	7,500	13,700	6,200
Construction Management/Inspections	5,000	46,000	41,000
Contingency	5,000	83,640	78,640
Total	\$ 57,500	\$ 565,200	\$ 507,700

To date, the following costs have been encumbered by the project:

C.E. Cox General Engineering, Inc. (Proposed)	\$ 421,860
Domenichelli & Associates, Inc. (Original Agreement)	7,065
Domenichelli & Associates, Inc. (Amendment No. 1)	13,700
John Driscoll, City Attorney	158
Mountain Democrat	193
City Staff Time	39,724
Total	\$ 482,700

As you can see, the \$482,700 in project encumbrances, including \$421,860 for the construction contract with C.E. Cox General Engineering, Inc., is within the proposed \$565,200 project budget.

Recommendation:

1. Approving a Construction Contract with C.E. Cox General Engineering, Inc. for the Sierra Tank Bypass Project (CIP #41404) in an amount not to exceed \$421,860 and authorizing the City Manager to execute said contract; and
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3. Approving a budget appropriation in the amount of \$10,400 in El Dorado Irrigation District revenues for the said project; and
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 Rebecca Neves, City Engineer



 Pierre Rivas, Development Services Director



 M. Cleve Morris, City Manager

Attachments:

1. Resolution