



Legislation Text

File #: RES 17-0048, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Stephanie Katsouleas, Public Works Director

Prem Kumar, City Engineer

SUBJECT:

Resolution to Approve Change Order #2 to Miramontes Construction Company Inc. for \$267,475 for Additional Sewer Line Rehabilitation Work and a Supplemental Appropriation of \$60,000 from Sewer Fund Reserve (Public Works Director Katsouleas).

ADOPT RESOLUTION AND APPROVE APPROPRIATION

RECOMMENDATION:

Staff recommends that City Council:

1. Authorize the City Manager to execute a Change Order with Miramontes Construction Company Inc. for \$267,475 under the Sewer Main Rehabilitation Project Phase 2 contract to include additional sewer main replacement work on 13th Street (Attachments 1 and 4);
2. Appropriate \$60,000 from the Sewer Fund Reserves for the additional sewer rehabilitation work.
3. Approve the plans for the 13th Street Sewer Main Replacement Project. (Attachment 5: Web-link provided)

FISCAL IMPLICATIONS:

The Sewer Main Rehabilitation Project Phase 2 work has a remaining contract and contingency budget \$237,938. An additional \$60,000 must be appropriated from the Sewer Fund Reserve to cover the cost of the additional sewer rehabilitation work requested for the 13th Street sewer main and for additional inspection services and contingencies. The Budget and Expenditure summary report is provided in Attachment 2.

BACKGROUND:

On February 2, 2016, City Council awarded a \$1,280,000 contract for the Sewer Main Rehabilitation Project Phase 2 construction project to Miramontes Construction Company Inc. and authorized an additional contingency of \$128,000. The work included sewer main replacements at four locations, including 3rd Street, 4th Street, 7th Street and Ingleside Drive. The contractor recently completed that scope of work for a total of \$1,170,062, which included one contract change order issued for \$32,222

for additional work needed due to field conditions that varied from the approved plans. The remaining balance from the project totals \$237,938.00.

In March 2017, the City experienced a failure of its 13th Street sewer main between Manhattan Ave. and the Strand. Upon further investigation, it was determined that a sewer liner had failed and has since become progressively worse. Starting late last fall, Public Works staff began dispatching staff resources daily to ensuring that the sewer main is kept open until it could be replaced, thereby ensuring that no additional backups occur. Because Miramontes Construction Company was already performing substantially similar work under a low bid contract, the City took the opportunity to request additional work at the unit bid rate to expedite its completion in lieu of going out to bid. This approach advances the project by three to four months, thereby reducing city liability, use of Public Works staff resources and residential impact during the summer. Staff also contracted with the design firm who prepared plans for the original sewer main replacement project to expedite plans so that the repairs could commence as quickly as possible.

It is also work noting that the additional sewer main replacement work is on a walk street, which presents unique challenges in design depth, reestablishing residential connections, avoiding existing appurtenances (i.e, gas lamps) and protecting and restoring surface right-of-way improvements (i.e, walk street front yards).

DISCUSSION:

The 13th Street sewer was originally installed in 1926, and at 90 years old has outlived its useful life. Because of the urgent nature of the 13th Street sewer failure, it is both financially prudent and efficient to issue a contract change order to the City's existing low bid contractor in lieu of undertaking a new bidding process. The work consists of installation of 275 feet of new sewer pipe, 3 sewer manholes, 5 sewer lateral connections, removal and replacement of concrete pavement, and abandonment of the existing pipeline. Miramontes Construction Company Inc. has submitted a cost proposal for \$267,475 for this work and has agreed to use the same unit prices that were provided in the original bid for all applicable work.

Therefore, staff recommends that the City Manager be authorized to 1) issue a change order to Miramontes Construction Company Inc. for \$267,475 for construction of the 13th Street Sewer Replacement Project, 2) approve change orders for unforeseen conditions for an amount not-to-exceed \$26,740. Given the remaining balance available in the original sewer rehabilitation budget, a supplemental appropriation of \$60,000 is needed to complete the additional work, for design, construction management and inspection services, and for a 10% contingency.

The work is estimated to be completed in less than two months.

POLICY ALTERNATIVES:

Do not approve the construction contract for the 13th Street Sewer Main Replacement Project.

PROS:

Capital Improvement Program funds will not be expended and the public will not be inconvenienced by construction in the area.

CONS:

If the proposed improvements are not constructed, the existing blockage and backup problems in the area will continue, increasing the City's liability exposure.

PUBLIC OUTREACH/INTEREST:

Staff distributed preliminary construction notices to area residents, and will maintain regular communication with the property owners to keep them abreast of the project schedule and impacts during construction.

ENVIRONMENTAL REVIEW:

The proposed project is exempt from the provisions of the California Environmental Quality Act (CEQA). Per the CEQA Guidelines, the project is exempt pursuant to the following provision: Section 15304 (e), "Minor Alterations to Land". No permanent environmental effects are anticipated, thus, no further environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

Attachments:

1. Resolution No. 17-0048
2. Budget and Expenditures Summary
3. Location Map
4. Contractor's Cost Proposal
5. Plans (Web-Link Provided)