

**CITY COUNCIL AGENDA
STAFF REPORT**

Agenda date: October 10, 2005

Prepared on: October 3, 2005

Reviewed by _____

SUBJECT: Approval and Acceptance of Contract No. 04-04, San Pablo Avenue Sewer Rehabilitation

FROM: Randy Leptien, City Engineer
Ann Chaney, Community Development Director

STAFF RECOMMENDATION

Adopt Resolution No. 05-52, approving and accepting improvements, and directing the filing of the Notice of Completion for Contract No. 04-04, San Pablo Avenue Sewer Rehabilitation.

BACKGROUND

In early 2004, Caltrans notified the City of a proposal to rehabilitate San Pablo Avenue and stated that any necessary repair or replacement of utilities should be completed prior to the paving project. In a March 2004 staff report to the City Council, it was reported that the sewer along portions of San Pablo Avenue was considered the highest priority for replacement due to its poor condition, long history of problems, and the Caltrans repaving project. Of particular note was the south end at Dartmouth Street, where the sewer lacked hydraulic capacity to handle flows during wet weather. As a result, the City Council authorized preparation of engineering design work to replace the poor sections of the San Pablo Avenue sewer between Dartmouth Street to Brighton Avenue. The Engineer's Cost Estimate for construction was \$ 1,463,111.

In July 2004, following a call for construction bids, the City Council authorized the award of Contract #04-04 to California Trenchless, Inc. (CTI) in the amount of \$1,549,455. This represented the lowest responsible bid amount.

During construction, a number of issues arose that necessitated a total of six (6) change orders. The City's sewer engineer, Nute Engineering, and the City Engineer recommended that these change orders be issued for the following reasons:

1. Change Order No. 1 – New sewer pipe in conflict with existing unmarked concrete box. Demolish and remove unmarked, abandoned box. Cost: \$6,748
2. Change Order No. 2 – Unmarked water line and sewer line conflict. Manhole was moved to allow for sewer line grade adjustment. Cost: \$5,319

3. Change Order No. 3 – During excavation for new manhole, a steel casing was encountered; City requested steel casing be removed by contractor. Cost: \$8,757
4. Change Order No. 4 – Contractor lost production time due to encountering buried tank. Because problem was not fault of contractor, City agreed to pay for lost production time for that particular event. Pipeline was placed by eventually tunneling under the tank. Cost: \$4,000
5. Change Order No. 5 - Unmarked gas services delayed production. Cost: \$2,662
6. Change Order No. 6 – Existing water valves shown on the plans were actually much closer to the new sewer alignment causing loss of production as Contractor tunneled under water valves to place new sewer. Cost: \$5,751

These Change Orders totaled \$33,239 for a total construction contract cost of \$1,582,694 (\$1,549,455 + \$33,239). This amount is in excess of the Engineer’s Estimate (\$1,463,111), but less than the City’s CIP estimate of \$1.7 million. The San Pablo Avenue Sewer Rehabilitation project was completed on or about July 7, 2005.

DISCUSSION

Adoption of the resolution directs the City Clerk to file the Notice of Completion in the Office of the County Recorder. Recording of the Notice is a legal requirement that limits the period for filing liens against the project to 30 days beginning with the date of recording. The retained funds, which amount to 10% of the Contract, will be released to the Contractor between 35 and 45 days following the recording of the notice provided no liens are filed.

This action also provides an opportunity for staff to summarize the results and funding status of the project.

FINANCIAL IMPACT

Revenue

The Capital Improvement Plan (CIP) allocated a total of \$2,062,111 for the San Pablo Avenue Sewer Rehabilitation project. Individual costs were estimated at: \$223,651 for engineering design; \$1,700,000 for construction; and \$138,460 for construction management. The Sewer Enterprise Fund provided the source of these funds.

Project costs

Engineering Design (Nute Engineering, LCC, Hulgren-Tillis)	\$ 100,758
Construction (California Trenchless, Inc. (includes retention amount)	\$ 1,582,694
Construction Services (Nute Eng, LCC, H-T, Fugro)	\$ 99,228
Construction Management (Jacobs Eng., Whittaker, printing)	<u>\$ 67,655</u>
Project Total	\$ 1,850,335

The division between design and construction services for Nute Engineering and LCC has been assumed. An amount of \$150,509 has been retained pending the filing of this

Notice of Completion. Thus, the San Pablo Avenue sewer construction work was performed within the limits of the original budget and totaled less than the amount allocated in the CIP.

Attachment

Resolution No. 05-52

Notice of Completion