

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: May 18, 2009

Reviewed by: BP

SUBJECT: Neilson Street Storm Drain and Sanitary Sewer Project
Notice of Completion

REPORT BY: Ann Chaney, Community Development Director
Richard Cunningham, Public Works Manager
Randy Leptien, City Engineer

RECOMMENDATION

Adopt Resolution No. 09-22 approving and accepting improvements and directing the filing of the Notice of Completion for Contract No. 07-21, Neilson Street Storm Drain and Sanitary Sewer Project

BACKGROUND

In June 2006, Albany voters approved Measure F - 2006, which identified funding for the Neilson-Curtis Storm Drain project. The City's 1998 Watershed Management Plan (WMP) identified this project as *the number one priority storm drain project in the City*.

In February 4, 2008, Council received a report from the City engineer indicating that due to a number of variables he was unable to determine whether pilot tube or remote controlled microtunneling would be the most cost effective approach. Accordingly Council authorized plans, specifications and estimates to be prepared for each method. Council also authorized the preparation of an environmental document for this project.

On March 17 and April 7, 2008 Council conducted a public hearing on the Negative Declaration that was noticed and circulated for this project. Following the conclusion of the hearing, Council approved the plans and directed staff to advertise the project for alternate public bids for the remote control and pilot tube options plus additive alternate bids for the rehabilitation of the sewer system. The remote control option, although estimated to cost more, was preferred because it required fewer shafts and less disruption to the neighborhood. On April 7 the Council also approved the negative declaration, approved a finance plan whereby the Finance Director and the City Administrator were authorized to secure financing (loans) for the project, and a scope of services from URS for construction review services for this project. The Engineer's construction cost estimate for the microtunneling plus the sewer work was \$3,269,900. The estimate for the pilot tube microtunneling plus the sewer was \$2,387,791.

The Council's authorization to proceed with the call for bids for the project included direction to staff to meet with the property owners along Codornices Creek, downstream of the project to explore future private or grant funded creek restoration and culvert rehabilitation projects in this area.

On June 3, 2008 a total of fourteen (14) bids were received from six (6) different Contractors for this project. Surprisingly, the lowest bid for the remote control option was less than the lowest bid for the pilot tube option. On June 9, 2008, the City Council determined that the bid submitted by Ranger Pipelines, Inc. was the lowest responsible bid and awarded the Contract to them for the Remote Controlled Microtunneling method plus the Additive Sewer Work in the total amount of \$2,129,860.

On June 3, 2008 the Council also authorized staff to enter into a Consultant Services Agreement with Jacobs Engineers in the amount of \$107,000, which is approximately 5%, for Construction Management.

DISCUSSION

The project consisted of installing:

- 1,427 feet of 30 inch reinforced concrete storm drain pipe, 4 manholes plus connecting storm drain pipes and inlets and
- Approx. 1,620 feet of 8 inch High Density Polyethylene sanitary sewer pipe and 70 lower laterals by bursting existing clay pipe

The work started on August 11, 2008 with the relocation of the gas and water pipes that were in conflict with the storm drain work. The microtunneling required construction of 4 large excavations (shafts) equally spaced along the project. The new storm drain was constructed in three equal sections. In October the first reach of pipe was installed by microtunneling from the shaft at Terrace Street to Albany Terrace. In November, pipe was installed from the Terrace Street shaft to Francis Street. In December and January the third and last section of pipe from the shaft at 1196 Nielson Street to Francis Street.

The sanitary sewer improvements began in January, and were completed in April 2009. Neilson Street is scheduled to receive a slurry coat during the summer of 2009 as part of the City's Street Resurfacing program. The pavement in Francis Street that was impacted by the construction was replaced during the first week in May under a separate contract. This paving work is not attributed directly to the construction of this project.

Construction change orders amounted to less than 5% of the total Contract amount.

A resolution accepting the project and directing the City Clerk to file the Notice of Completion, and the Notice of Completion itself, are attached.

As follow up to Council direction to explore future creek restoration and culvert rehabilitation projects in this area, staff has met several times with property owners along Codornices Creek downstream of the project area. Staff has worked with the neighborhood to help identify steps they can take to keep the creek clear of potential blockages, to familiarize themselves with organizations that work on creek projects, and to join with one another to work on group efforts for creek protection.

SUSTAINABILITY

The installation of the storm drain by remote micro tunneling and rehabilitation of the sewer system by pipe bursting methodologies greatly reduced the amount of trucking required for removal of surplus excavation, aggregate import and asphalt removal and replacement that would have otherwise been required for conventional open trench methods. It is difficult to quantify the overall reduction in energy, but the quantity is significant.

FINANCIAL IMPACT

Estimated Project Cost

On March 3, 2008, staff presented the City Council with the URS cost estimates for the Microtunneling and Pilot Tubing approaches, with and without the Sanitary Sewer Work. The Pilot Tube Microtunneling Method was estimated to be less expensive, although the low bid was eventually submitted for the Remote Control Microtunneling option. The estimated costs prior to bidding are shown in the table below:

	Storm Drain		Sanitary Sewer
Estimated Costs: Microtunneling (MT)	Remote Control Microtunneling	Pilot Tube Microtunneling	
Construction	\$ 3,838,847.17	\$ 2,387,791.00	\$ 354,176.83
Contingency	\$ 383,884.72	\$ 383,884.72	\$ 35,417.68
Total Construction	\$ 4,222,731.89	\$ 2,771,675.72	\$ 389,594.51
Engineering	\$ 480,619.12	\$ 480,619.12	\$ 58,439.18
Total Project	\$ 4,703,351.01	\$ 3,252,294.84	\$ 448,033.69

Project Cost

Below is a table showing the contractual amounts, the actual cost of the project:

Total Costs:	Contract Amts: Storm Drain + Sanitary Sewer	Project Cost: Storm Drain + Sanitary Sewer
Construction – Ranger Pipelines, Inc.	\$ 2,129,860.00	\$2,063,990 (incl. 10% retention to be released upon NOC) (\$ 1,857,591 invoiced to date)
Design Engineering – URS	\$ 204,374.00	\$ 184,000 (est.) (\$ 177,382.37 invoiced to date)
Engineering Review (city engineer, soils, pipe/culvert televising)	--	\$ 105,000 (est.) (\$ 99,328.39 invoiced to date)
Construct. Management	\$ 107,000.00	\$ 107,000 (\$ 102,078.75 invoiced to date)
Other (environmental, printing, mailing, etc.)	--	\$ 11,619.19
Total Project	--	\$ 2,471,609.19 (est.) (\$2,301,922.81 invoiced to date)

Revenues

Measure F - 2006 Storm Drain funds were used for this project. A loan was obtained for \$3,465,155 because the annual revenues generated by Measure F were insufficient to complete the project. Thus the loan yielded proceeds immediately available to this project and future storm drain projects. Final cost analysis will be performed to determine the portion of project costs attributed to the sanitary sewer work.

The 2008/09-2012/13 Capital Improvement Plan estimated the cost of this project at \$2,866,609. Thus, the project was completed within the costs estimated in the Capital Improvement Plan.

Attachments

City Council Resolution No. 09-22
Notice of Completion