



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 10, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Construction For The El Estero Wastewater Treatment Plant Pilot Fats, Oil and Grease Program Phase 2 Digester Cleaning And Equipment Rehabilitation Project

RECOMMENDATION: That Council:

- A. Increase Wastewater Capital Fund appropriations and estimated revenues by \$752,222, representing the total costs for the El Estero Wastewater Treatment Plant Pilot Fats, Oil and Grease Program Phase 2 Digester Cleaning And Equipment Rehabilitation Project that will be funded from a State and City Council approved loan from the Clean Water State Revolving Fund;
- B. Transfer \$194,173 of appropriated funds in the Wastewater Capital Fund from the El Estero Wastewater Treatment Plant Strategic Plan Implementation Project to the El Estero Wastewater Treatment Plant Pilot Fats, Oil and Grease Program, Phase 2 Digester Cleaning and Equipment Rehabilitation Project; and
- C. Award a contract with Synagro – WWT, Inc., in their low bid amount of \$791,725, for construction of the El Estero Wastewater Treatment Plant Pilot Fats, Oil and Grease Program Phase 2 Digester Cleaning and Equipment Rehabilitation Project, Bid No. 3727; and authorize the Public Works Director to execute the contract and approve expenditures up to \$79,170 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

DISCUSSION:

BACKGROUND

On November 11, 2011, Council awarded a contract for construction for the El Estero Wastewater Treatment Plant (El Estero) Pilot Fats, Oil and Grease (FOG) Program. The goal was to divert a waste stream of fats, oil, and grease to El Estero's two digester units to increase biogas production. Biogas can be used as a reusable energy source. The FOG Facility was constructed, and El Estero has been receiving FOG waste material from MarBorg since April 2013.

Council Agenda Report

Contract For Construction For The El Estero Wastewater Treatment Plant Pilot Fats, Oil and Grease Program Phase 2 Digester Cleaning And Equipment Rehabilitation Project
June 10, 2014

Page 2

Funding for the FOG Project was secured via a Clean Water State Revolving Fund (SRF) loan. The loan agreement was for a 20-year loan in the amount of \$1,600,000, at an interest rate of 2.6 percent. The SRF loan had two phases: Phase 1 included the construction of the FOG receiving facility at a total project cost of \$847,778. Phase 2 will utilize the remaining SRF funds of \$752,222 for the El Estero FOG Phase 2 Digester Cleaning and Equipment Rehabilitation Project (Project).

PROJECT DESCRIPTION

The work consists of cleaning both digesters and replacing isolation valves and gas piping associated with the digesters.

The design work was completed by CDM Smith and was included in their existing Biosolids Handling Assessment contract. Design costs for this Project are estimated at approximately \$15,000, which includes both CDM Smith and engineering staff time.

CONTRACT BIDS

A total of two bids was received for the subject work, ranging as follows:

	BIDDER	BID AMOUNT
1.	Synagro - WWT, Inc. Baltimore, MD	\$791,725
2.	GSE Construction Livermore, CA	\$794,500

The low bid of \$791,725, submitted by Synagro - WWT, Inc., is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

The change order funding recommendation of \$79,170, or ten percent, is typical for this type of work and size of project.

FUNDING

This project is funded in part by an SRF loan, with the remaining costs funded by the Wastewater Capital Fund. There are sufficient funds currently budgeted in the El Estero Strategic Plan Implementation Program line item to cover the portion of the project unfunded by the SRF Loan. Staff requests to reallocate \$194,173 for the new Project.

The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Basic Contract	Change Funds	Total
Synagro	\$791,725	\$79,170	\$870,895
TOTAL RECOMMENDED AUTHORIZATION			\$870,895

The following summarizes all Project design costs, construction contract funding, and other Project costs:

ESTIMATED TOTAL PROJECT COST

**Cents have been rounded to the nearest dollar in this table.*

Design Costs (estimate of Contract and City Staff)	\$15,000
Subtotal	\$15,000
Construction Contract	\$791,725
Construction Change Order Allowance	\$79,170
Subtotal	\$870,895
Construction Management/Inspection (by City Staff)	\$60,500
Subtotal	\$60,500
TOTAL PROJECT COST	\$946,395

PREPARED BY: Lisa Arroyo, Supervising Civil Engineer/LA/mh

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office