



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** October 28, 2008

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Construction For The Laguna Channel Pump Station Engine Replacement Project

**RECOMMENDATION:** That Council:

- A. Reject the bid of V. Lopez Jr. and Sons, Inc. (V. Lopez), for the Laguna Channel Pump Station Engine Replacement Project (Project), Bid No. 3563, as non-responsive due to its failure to meet the requirements of the Project specifications;
- B. Authorize the Public Works Director to execute a contract with S.S. Mechanical Corporation (S.S. Mechanical) in the amount of \$404,486, for construction of the Project, Bid No. 3563, and authorize the Public Works Director to approve expenditures up to \$40,450 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; and
- C. Accept Local Surface Transportation Program (LSTP) grant funding in the amount of \$347,000, and appropriate this amount in the Fiscal Year 2009 Streets Capital Fund Revenues and Operating Budgets to replenish the corresponding amount funded by the Streets Capital Pavement Maintenance Account.

**DISCUSSION:**

### PROJECT DESCRIPTION

The Laguna Drainage System is a complex network of storm drains, open channels, pumps, and tide gates that provide flood protection for a substantial portion of the community. The pump station is located between Cabrillo Boulevard and the beach at the terminus of the Laguna Channel.

Storm water within the Laguna Channel flows through a debris rack and into a concrete wet well that houses two large capacity pumps. The pumps deliver water around the tide gates and to a concrete channel that discharges into a beach pond that is currently merged with the Mission Creek Lagoon. During high tide, the gates must remain closed and the entire Laguna Drainage System must rely on the pumping capacity of the station for flood protection. During low tide, the pumps work in conjunction with tide gates to provide flood protection for the Laguna Channel.

The existing capacity of the pump station is not sufficient to convey runoff from extreme storm events during high tides. An increase in the capacity of the pump station will provide a flood protection benefit to the entire Laguna Drainage System.

The work consists of the replacement of the two existing natural gas engines and associated engine control improvements. The existing engines are over 40 years old and must be replaced in order to take full advantage of the pump capacity. The engine replacement may increase the capacity of the pump station by up to 50 percent.

The construction start date for this work is dependent largely on the delivery time for new engines, currently estimated at eight weeks. Therefore, construction is not anticipated to begin until January 2009 at the earliest. The engines will be replaced separately and only if there is a favorable weather forecast.

#### CONTRACT BIDS

A total of two bids were received. V. Lopez submitted a bid that does not meet the bid specifications for minimum engine horsepower. It was deemed non-responsive and has been rejected. The second low bid, submitted by S.S. Mechanical, is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

<b>BIDDER</b>	<b>BID AMOUNT</b>	
S.S. Mechanical Corporation Huntington Beach, CA	Bid Item 1	\$333,386
	Bid Item 2	\$64,600
	Bid Item 3	\$6,500
	Bid Item 4	\$112,980
	<b>Total Bid Amount</b>	<b>\$517,466</b>

The proposed contract amount was determined by totaling Bid Items 1, 2, and 3, which include the natural gas engines, exhaust controls, and modifications to existing control panels, respectively. Bid Item 4 includes new control panels and could have been awarded if an exceptionally low bid had been received. Thus, the recommended contract award amount for S.S. Mechanical is \$404,486. The design engineer's estimate was \$396,000.

The change order funding recommendation of \$40,450, or 10%, is typical for this type of work and size of project.

**FUNDING**

This Project is funded through Streets Capital funds budgeted for pavement maintenance and drainage improvements. The amount funded by the Streets Capital Pavement Maintenance Account will be equal to the LSTP grant funding described in Recommendation C. LSTP grant funds are received in advanced as lump sum payments, and must be spent on transportation system improvement projects. There are sufficient funds in the Streets Capital Fund to cover the cost of this Project.

The following summarizes the expenditures recommended in this report:

**CONSTRUCTION CONTRACT FUNDING SUMMARY**

	<b>Basic Contract</b>	<b>Change Funds</b>	<b>Total</b>
Contract	\$404,486	\$40,450	\$444,936
<b>TOTAL RECOMMENDED AUTHORIZATION</b>			<b>\$444,936</b>

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

**ESTIMATED TOTAL PROJECT COST**

Design (by Contract)	\$57,200
Other Design Costs - City staff	\$20,000
<b>Subtotal</b>	<b>\$77,200</b>
Construction Contract	\$404,486
Construction Change Order Allowance	\$40,450
<b>Subtotal</b>	<b>\$444,936</b>
Construction Management/Inspection (by City staff)	\$20,000
<b>Subtotal</b>	<b>\$20,000</b>
<b>TOTAL PROJECT COST</b>	<b>\$542,136</b>

**SUSTAINABILITY IMPACT:**

The Project will continue to use natural gas and is a clean fuel option to power the engines. The new pump system is anticipated to operate more efficiently than the existing system and lessen impacts due to flooding.

**PREPARED BY:** John Ewasiuk, Principal Civil Engineer/BD/mj

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office