



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 13, 2011

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Construction Of The Headworks Screening Replacement Project At El Estero Wastewater Treatment Plant

RECOMMENDATION: That Council:

- A. Award a contract with Stanek Constructors, Inc., in their low bid amount of \$3,910,000 for construction of the Headworks Screening Replacement Project at El Estero Wastewater Treatment Plant, Bid No. 3570;
- B. Authorize the Public Works Director to execute the contract and approve expenditures up to \$391,000 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;
- C. Authorize the Public Works Director to execute a contract with Carollo Engineering in the amount of \$200,000 for construction support services, and approve expenditures of up to \$20,000 for extra services of Carollo Engineering that may result from necessary changes in the scope of work;
- D. Authorize the Public Works Director to execute a contract with Mimiaga Engineering Group in the amount of \$380,240 for construction management services, and approve expenditures of up to \$38,025 for extra services of Mimiaga Engineering Group that may result from necessary changes in the scope of work;
- E. Accept a loan in the amount of \$5,200,000 from the Clean Water State Revolving Fund for the Headworks Screening Replacement Project at El Estero Wastewater Treatment Plant; and
- F. Increase Wastewater Capital Fund appropriations and estimated revenues by \$5,200,000.

EXECUTIVE SUMMARY:

The City received eight bids for the Headworks Screening Replacement Project (Project) at the El Estero Wastewater Treatment Plant (El Estero) and the lowest bidder was Stanek Constructors, Inc. (Stanek). Staff recommends that Council authorize the Public Works Director to accept the low bid and enter into a contract with Stanek. Staff recommends that Council authorize the Public Works Director to enter into a contract with Carollo

Engineers (Carollo) and Mimiaga Engineering Group (MEG) for services during construction. Staff also recommends that Council accept the Clean Water State Revolving Fund loan and increase the Wastewater Capital Fund appropriations by \$5,200,000.

DISCUSSION:

PROJECT DESCRIPTION

Wastewater from homes and businesses in the City enters El Estero at the existing Headworks facility where screening removes large solids, rags and debris. Removal of large and/or non-soluble waste at this facility is important to the overall wastewater treatment. Solids passing into the wastewater treatment process delay time to decompose solids in the overall waste stream and could cause damage to the downstream wastewater treatment processes.

The existing Headworks screening system has reached the end of its useful life and needs replacement. Additionally, the existing screening system does not adequately process the influent flow, resulting in solids passing into the treatment process. Further, this process is not automated and relies on plant operators to convey solids from the screening area (three stories below ground) to the disposal area on the surface.

The Project consists of replacing the existing screening system, washer-compactor, monorail, sluice gates and motor control center, and includes the installation of a new crane to facilitate maintenance, a conveyance system to transport screenings to the washer-compactor, and integration of controls for the new equipment into the existing Treatment Plant control system.

Due to design challenges associated with an existing building with limited space, only one equipment manufacturer could be found that met the minimum qualification requirements for the mechanical bar screens. Staff challenged the design engineer to explore alternative options and equipment, but after an exhaustive search and numerous field visits to similar installations, staff was convinced there is no known equivalent alternative for mechanical bar screens. The Contract Documents specify the particular manufacturer of the screens that must be utilized or, in the alternative, a bidder may request City approval of an "or equal" product. One manufacture requested City approval of their product for use as an "or equal" product. The City's Engineers conducted an in-depth analysis of the proposed alternative product and determined that for several reasons the proposed "or equal" did not meet the minimum qualifications required for the mechanical bar screen. The manufacture of the proposed "or equal" product was informed of the City Engineer's determination by written correspondence dated August 1, 2011.

Additionally, only one equipment manufacturer could be found that met the minimum qualification requirements of the mechanical agitation for the washer/compactors. Staff challenged the design engineer to explore alternative options for the washer-compactor, but the quality of the final product approved for disposal was a key driver in the

selection. The Contract Documents specify the particular manufacturer of the washer/compactor that must be utilized or, in the alternative, a bidder may request City approval of an "or equal" product. One manufacture requested City approval of their product for use as an "or equal" product. The City's Engineers conducted an in-depth analysis of the proposed alternative product and determined that the technology used for the "or equal" product was "fundamentally different from the specified equipment" and for this reason rejected the "or equal" submission. City staff informed the manufacturer of the City's determination to reject the "or equal" submission by letter dated August 1, 2011.

No bid protests have been received.

CONTRACT BIDS

A total of eight bids were received for the subject work, ranging as follows:

| | BIDDER | BID AMOUNT |
|----|---|-------------------|
| 1. | Stanek Constructors, Inc. Escondido, CA | \$3,910,000 |
| 2. | Lash Construction, Inc. Santa Barbara, CA | \$3,917,400 |
| 3. | C.W. Roen Construction Danville, CA | \$4,113,000 |
| 4. | PCL Construction, Inc. San Marcos, CA | \$4,151,258 |
| 5. | GSE Construction Co. Livermore, CA | \$4,176,000 |
| 6. | Cushman Contracting Corp Santa Barbara, CA | \$4,180,000 |
| 7. | Gantry Constructors, Inc. Clarkdale, AZ | \$4,215,000* |
| 8. | W.M. Lyles, Co. Bakersfield, CA | \$4,329,000 |

*corrected bid total

The low bid of \$3,910,000, submitted by Stanek, is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

The change order funding recommendation of \$391,000, or 10%, is typical for this type of work and size of project.

CONSTRUCTION PHASE CONTRACT SERVICES

Staff recommends that Council authorize the Public Works Director to execute a contract with Carollo in the amount of \$200,000 for design support services, and approve expenditures of up to \$20,000 for extra services that may result from necessary changes in the scope of work. The extra services funding recommendation of 10% is typical for this scope of work. Carollo designed the Project and is experienced in this type of work.

Staff recommends that Council authorize the Public Works Director to execute a contract with MEG in the amount of \$380,240 for construction management services with \$38,025 of extra services. The extra services funding recommendation of 10% is typical for this scope of work. MEG was selected to provide this service by a Request for Proposal process. MEG participated in construction management service for previous El Estero projects and is experienced in this type of work.

FUNDING

On March 17, 2009, City Council adopted Resolution No. 09-013, authorizing the City Administrator to submit a Financial Assistance Grant Application for the Headworks Project. Staff was later notified that the project was not selected for Federal Stimulus Bill funds; however, the City was provided an opportunity to convert the Project applications to the Clean Water State Revolving Fund loan. On July 28, 2011, the City received the executed funding agreement for a 20-year loan in the amount of \$5,200,000 at an interest rate of 2.6% from the State Water Resources Control Board, which will be appropriated to fund the Project.

The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

| | Basic Contract | Change Funds | Total |
|--|-----------------------|---------------------|--------------------|
| Stanek | \$3,910,000 | \$391,000 | \$4,301,000 |
| Carollo | \$200,000 | \$20,000 | \$220,000 |
| MEG | \$380,240 | \$38,025 | \$418,265 |
| TOTAL RECOMMENDED AUTHORIZATION | | | \$4,939,265 |

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 (by Contract) | \$436,494 |
| City Staff Costs | \$125,000 |
| Subtotal | \$561,494 |
| Construction Contract | \$3,910,000 |
| Construction Change Order Allowance | \$391,000 |
| Construction Management/Inspection (by Contract) | \$418,265 |
| Design Support during Construction (by Contract) | \$220,000 |
| Subtotal | \$4,939,265 |
| Construction Administration (by City Staff) | \$91,157 |
| Subtotal | \$91,157 |
| TOTAL PROJECT COST | \$5,591,916 |

Design costs have already been incurred. State loan funds will be used primarily to cover the construction related costs of the project.

SUSTAINABILITY IMPACT:

Removal of solids through the screening process increases overall wastewater treatment process effectiveness.

PREPARED BY: Joshua Haggmark, Principal Civil Engineer/LA/sk

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office