

City of Sacramento

Legislation Text

File #: 2019-00751, **Version:** 1

Title:

Contract: 3rd Street Relief Sewer Project [Published for 10-Day Review 05/30/2019]

File ID: 2019-00751

Location: District 3

Recommendation:

Adopt a Resolution: 1) approving addendum to Environmental Impact Report (EIR); 2) approving the contract plans and specifications for the 3rd Street Relief Sewer Project; and 3) awarding the contract to Steve P. Rados, Inc. for an amount not-to-exceed \$14,307,780.

Contact: Mark Elliott, Project Manager (916) 808-8894; Tony Bertrand, Supervising Engineer, (916) 808-1461; Dan Sherry, Engineering & Water Resources Division Manager, (916) 808-1419; Department of Utilities

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Contract
- 3-Resolution

Description/Analysis

Issue Detail: Staff recommends Council award a construction contract to Steve P. Rados Inc. to construct approximately 5700 feet of 42-inch diameter and 410 feet of 48-inch diameter combined sanitary sewer ("CSS") pipelines within 3rd Street from I Street to U Street and within T Street from 3rd Street to 5th Street. Completion of the 3rd Street Relief Sewer Project is needed to provide capacity for increased sanitary sewer flows from planned development in the Railyards Project area and the River District Specific Plan area.

Policy Considerations: City Council approval is required to award construction contracts of \$100,000 or more. The action requested conforms with City Code Chapter 3.60, Articles I, III and IV,

which provide for award when an alternative competitive process is used. Adding capacity and replacement of deteriorated sewer pipes is consistent with the criteria set forth in the Department of Utilities' Combined Sewer System Long Term Control Plan to ensure a reliable and safe CSS.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. This contract was published for 10-day review on May 30, 2019 as required.

Economic Impacts: This project is expected to create 57 total jobs (33 direct jobs and 24 jobs through indirect and induced activities) and create \$8,833,642 in total economic output (\$5,567,912 of direct output and another \$3,265,730 of output through indirect and induced activities).

The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations: The subject projects were reviewed and determined to be categorically exempt from the California Environmental Quality Act (CEQA). The projects include replacing existing water mains (utility systems) involving negligible expansion of capacity (CEQA Guidelines Section 15302 (c)), as well as the installation and location of new, small utility facilities (water meter boxes) (CEQA Guidelines Section 15303).

Sustainability: The proposed project is consistent with the 2035 General Plan as it improves infrastructure reliability and supports the City's Long-Term Control Plan to rehabilitate the CSS to decrease flooding, outflows, and overflows.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: On November 13, 2018, Council approved the suspension of competitive bidding for the 3rd Street Relief Sewer project in favor of an alternative procurement process, as it is in the City's best interest to select a contractor based on qualifications, performance-based criteria, customer/public care, and pricing. A best value and qualifications-based process was used to select a contractor for the 3rd Street Relief Sewer project. A Request for Proposal/Qualifications (RFP/Q) was advertised on March 12, 2019. A mandatory pre-proposal meeting was conducted on March 21, 2019 and attended by representatives from four contractors, Teichert Construction, McGuire and Hester Inc., Steve P. Rados Inc., and Mountain Cascade Inc. Two contractors, Steve P. Rados Inc., and Mountain Cascade, Inc. submitted bid proposals in

response to the RFP/Q on April 25, 2019. The proposals were reviewed and scored. The contractor with the highest score was Steve P. Rados Inc.

Steve P. Rados Inc submitted a total bid price of \$14,307,780. The Engineer's construction cost estimate was \$12,500,000.

Financial Considerations: The construction contract with Steve P. Rados in the not-to-exceed amount of \$14,307,780 will be funded by the 3rd Street Sewer Relief Project (X14010000), Wastewater Reimbursable Fund (Fund 6206). Construction costs will be provided through the Downtown Railyards Venture, LLC Reimbursement Agreement.

There are no General Funds allocated or planned for this project.

Local Business Enterprise (LBE): Steve P. Rados, Inc. is an LBE.

Background: The CSS collects and conveys both sanitary sewer and storm drain flows in a single system. It serves 7500 acres of the City including the Downtown, East Sacramento, River Park, Land Park, Curtis Park, and Oak Park neighborhoods.

CSS flows during storms can exceed system capacity. When this happens, stormwater mixed with untreated wastewater can leave the underground system and surface onto nearby low-lying streets or onto other properties.

In June 1990, the Regional Water Quality Control Board (RWQCB) issued a Cease and Desist Order (CDO) requiring the City to eliminate CSS outflows and untreated discharges to the Sacramento River. After numerous studies and benefit/cost analyses, City Council adopted the 1995 Combined Sewer System Improvement Plan (CSSIP) that met the requirements of the CDO, the Environmental Protection Agency's Combined Sewer Overflow Control Policy, and the City's adopted goals for the CSS. That same year, the RWQCB approved the CSSIP, rescinded the CDO, and issued a National Pollutant Discharge Elimination System permit that mandated implementation of the CSSIP.

The 1995 CSSIP anticipated increasing the pumping capacities of Sumps 1/1A and 2/2A; converting Pioneer Reservoir to a primary treatment facility; installing a relief sewer system in the downtown area; and constructing local or regional underground storage facilities.

Many of the initial 1995 planned improvements have been completed; others are in design or under study as part of an on-going process to improve the CSS and update the CSSIP. The latest CSSIP update identifies 28 projects throughout the service area that are a mix of large regional storage vaults and large diameter inline storage/conveyance pipes, including the proposed Project. This Project is one of the final components of the Downtown Combined Sewer Upsizing Program. Completion of the Project is required at this time to support development of the Downtown Railyards

Project and to avoid construction scheduling conflicts with the upcoming Downtown Streetcar Project.