

## TUOLUMNE CITY SANITARY DISTRICT

TCS  
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### REGULAR MEETING STAFF REPORT JULY 7, 2021

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#### Agenda Item No. IV

To: Board of Directors

From: Dave Andres, General Manager

Subject: Wastewater Treatment Plant Construction (SRF # - C-06-8247-210)

Date: July 1, 2021

Background: District staff has been working with our consultants, Forsgren Associates and Black Water Engineers, along with State Department of Water Resources State Revolving Fund (SRF) Program staff to prepare for the bidding of the *Upgrades to the Wastewater Treatment Plant (WWTP)*. Forsgren Associates is proposed to provide Construction Management Services to the District on the project and Black Water Engineers is conducting the design work for the project.

Discussion: After the public hearing held at your regular meeting on May 5<sup>th</sup>, 2021, your Board authorized staff to seek bids on the WWTP project. The district advertised for bids on May 6, 2021. District staff and consultants held a mandatory walk-thru with potential bidders on the State Revolving Fund (SRF) WWTP construction project on May 26, 2021. Seven contractors attended that meeting. However, only one timely bid was received for the bid opening on June 23, 2021. The sole bid was received from James C. Cushman, Inc. of Santa Barbara, California with a base bid amount of \$1,316,000 and the *Additive Bid Item Costs* as indicated in Table 1 below.

Table 1. Additive Bid Item Costs

| <u>Item #</u> | <u>Description</u>             | <u>Bid Amount</u> |
|---------------|--------------------------------|-------------------|
| A1            | Driveway Concrete Paving       | \$ 26,000         |
| B1            | Aeration Basin Concrete Paving | \$ 238,000        |
| C1            | Pump House Concrete Paving     | \$ 20,000         |
| D1            | Effluent Line Relocation       | <u>\$ 276,000</u> |
|               | TOTAL:                         | \$ 560,000        |

Table 2 below provides an outline of the estimated construction costs for the project based on the bid received. The district issued bids on the assumption that

funding would be available for the “Base Bid” projects identified in Table 2. The total funding currently available under the SRF Grant is approximately \$1,420,000. It was assumed that if any additional funds were available based on the lowest responsible and responsive bid received, one or more of the projects listed above under Table 1 could be added as supplemental work under the bid. Staff is recommending that the two smallest paving projects (A-1 & C-1) be authorized under the bid award for an additional \$46,000.

Table 2. Recommended Bid Award per Cushman, Inc. Bid

| <u>Item</u>   | <u>Description</u>                     | <u>Estimated Cost</u> |
|---------------|--|-----------------------|
| 1.            | Mobilization / Demobilization          | \$ 42,000             |
| 2.            | Lagoon Relining                        | \$ 245,000            |
| 3.            | Lagoon Aerator                         | \$ 141,000            |
| 4.            | RAS Pumps                              | \$ 338,000            |
| 5.            | Electrical / Automated Control Updates | \$ 550,000            |
| Subtotal:     | Estimated Base Bid Construction Costs  | \$1,316,000           |
|               | Recommended Alternates (A-1 & C-1)     | \$ 46,000             |
| <b>Total:</b> | <b>Total Construction Bid Estimate</b> | <b>\$ 1,362,000</b>   |

In addition to the actual construction costs, the district has substantial “soft costs” associated with the project. Table 3 below identifies both the estimated construction costs, as well as the soft costs associated with managing the construction project. It is estimated that the bid award with the recommended alternates will cost \$1,362,000. This will allow a \$58,000 contingency for any issues such as change orders or changed conditions encountered during construction. This would exhaust all available SRF funding under our agreement.

This proposed use of SRF funds will require the district to pay for all of the remaining “soft costs” from our funds. It is estimated that these soft costs will total approximately \$350,000. Currently the district has approximately \$500,000 in our Wastewater Treatment Plant Reserve Fund. It is recommended that these costs be paid for from this reserve fund. This would bring the total project costs to approximately \$1,765,000.

In addition, it is recommended that your Board approve the attached service agreement with Forsgren Associates in an amount not to exceed \$200,000 for construction management services. This work includes on-site inspection and project documentation on the project. These costs are currently an estimate, but I

am confident that staff can manage the contract to control these costs within the budget.

Table 3. WWTP Total Project Costs

| Description                                     | Estimated Cost      |
|---|---------------------|
| Base Bid Construction Costs                     | \$ 1,316,000        |
| Recommended Alternates (A-1 & C-1)              | \$ 46,000           |
| Total Construction Costs                        | \$ 1,362,000        |
| Contingency                                     | \$ 58,000           |
| <b>Total Construction and Contingency Costs</b> | <b>\$ 1,420,000</b> |
| SRF Funding Available (estimate)                | \$ 1,420,000        |
| <b><u>Estimated Soft Costs</u></b>              |                     |
| Environmental                                   | \$ 30,000           |
| Construction Management                         | \$ 200,000          |
| Electrical Construction Management              | \$ 30,000           |
| Design Assistance - Engineering                 | \$ 50,000           |
| Wage Compliance Consultant                      | \$ 15,000           |
| Miscellaneous Costs                             | \$ 20,000           |
| <b>Total Soft Costs</b>                         | <b>\$ 345,000</b>   |
| <b>Grand Total</b>                              | <b>\$1,765,000</b>  |

Fiscal Impact: A total of \$2,000,000 in state grant funding for planning, design, and construction costs was awarded the District for the WWTP. Approximately \$1,420,000 is currently available to complete the project. It is recommended that \$350,000 from the district's Wastewater Treatment Plant Reserve (WWTPR) be used to pay for the soft costs associated with the project. There is currently \$500,000 available in the WWTPR.

Attachment(s): Long Bid Form – Cushman; Forsgren Associates Task Order / Scope of Work.

Recommendation: Approve bid award, construction management contract and use of reserve funds.

Recommended Motion:

Item 1. I move to award the *Wastewater Treatment Plant Upgrade Project* Bid to James C. Cushman, Inc. at cost of \$1,316,000 for the base bid, \$26,000 for alternate A-1, and \$20,000 for alternate C-1 for a total cost of \$1,362,000 and

authorize the General Manager to take such actions as are necessary to implement the contract award and construction project.

Item 2. I move to approve the attached Task Order No. 21-02 with Forsgren Associates, Inc. for construction management services at a cost not to exceed \$200,000 and authorize the General Manager to sign.

Item 3. I move to approve and authorize the General Manager to enter into agreements for the *Wastewater Treatment Plant Upgrade Project* with Control Point Engineering Inc. for electrical engineering assistance at a cost not to exceed \$30,000 and with a wage compliance consultant at a cost not to exceed \$15,000.

Item 4. I move to approve the use of up to \$350,000 from the Wastewater Treatment Plant Replacement Reserve Fund to pay for construction related costs associated with *Wastewater Treatment Plant Upgrade Project*.

BOARD ACTION:

|  |  |                  |
|--|--|------------------|
| <input type="checkbox"/> Resolution No _____ | Moved by: _____                          | Second by: _____ |
| _____ AYES                                   | _____ NOES                               | _____ ABSTAINED  |
| _____ ABSENT                                 | <input type="checkbox"/> No Action Taken |                  |