



Agenda Date: 8/16/2017

Agenda Placement: 8B

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Timothy Healy - General Manager
NS-Technical Services/Engineer

REPORT BY: Jill Hughes, Associate Engineer - 707-258-6013

SUBJECT: Reject Bid for the Upper Lateral Basin L Pilot #2 Project (CIP 17702) and Adopt Resolution

RECOMMENDATION

1. Reject bid for the Upper Lateral Basin L Pilot #2 Project (CIP 17702).
2. Adopt attached resolution, by a four-fifths majority vote, declaring that NapaSan employees can perform the project more economically and instruct NapaSan staff to complete the project by force account.

EXECUTIVE SUMMARY

On June 15, 2017, NapaSan received 1 bid for the Upper Lateral Basin L Pilot #2 Project (CIP 17702) in the amount of \$149,750 from NorCal Pipeline Services. The engineer's estimate of probable construction cost was originally \$145,000. The engineer's estimate was prepared based on the individual bid item costs from the high bid received on the 2015 pilot project. After additional review of the project costs after bid opening, staff's revised engineer's estimate is \$103,000 which is based on review of pricing from bids received on both previous upper lateral pilot projects.

Notices of the bid were sent to regional and national plan rooms and NapaSan staff notified contractors that have performed similar work for NapaSan in the past. After discussions with NorCal Pipeline Services about the bid price, NapaSan staff learned that their bid price was higher than expected due to the timing of the project construction, which coincides with a full schedule of other projects NorCal is already contracted to conduct. Additionally, minimal interest in the project from other contractors resulted in a lack of bidding competition.

The project was designed and bid to rehabilitate 27 existing upper laterals with CIPP lining. The 2015 project was constructed with an estimated cost of \$3,200 per lateral. If this project were awarded, the cost per lateral would be approximately \$5,500.

NapaSan has the ability to perform the rehabilitation work with NapaSan staff. NapaSan has the equipment and

expertise to rehabilitate laterals using CIPP for less than \$3,200 per lateral. The trade off for NapaSan conducting the work is that it would impact staff's ability to perform other scheduled work.

Staff recommends that the bid from NorCal Pipeline Services be rejected.

If the bid is rejected, there are three options available to the Board:

- 1) pass the attached resolution by four-fifths majority of the board declaring that the NapaSan employees can perform the project more economically,
- 2) re-bid the project in late fall so that construction is completed prior to winter flow monitoring months,
- 3) abandon the project and remove it from the capital improvement plan.

Based on staff's ability to complete the work economically, and on the importance of determining whether upper lateral rehabilitation is a cost-effective method of reducing infiltration and inflow, staff recommends the first option, to pass the resolution by four-fifths majority of the board declaring that the NapaSan employees can construct the project.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The project is budgeted in the 16/17 FY and the 17/18 FY Capital Improvement Programs. The total project budget for both fiscal years is \$160,300. The budget was initially envisioned to rehabilitate 43 laterals, however, after field research was conducted only 27 laterals within the project area require rehabilitation.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The project will rehabilitate upper laterals in a basin that has been previously identified as a significant source of I&I. It is anticipated that the project will result in a reduction of I&I flows in the collection system and ultimately to the Plant.
Is the general fund affected?	Yes
Future fiscal impact:	None, the design was completed with FY 16/17 and construction will be completed in FY 17/18.
Consequences if not approved:	The I&I within the project boundary will stay at current levels in the collection system and increase over time as pipes continue to deteriorate.
Additional Information:	None.

ENVIRONMENTAL IMPACT

A Notice of Exemption was filed with Napa County Recorder in May 2017.

BACKGROUND AND DISCUSSION

In 2010, NapaSan completed an upper lateral pilot project in the East Spring Street area of Alta Heights and in 2015, NapaSan completed an upper lateral pilot program in Basin L. Terrain, soil conditions, and groundwater levels are different in Alta Heights compared with the Basin L area. This third upper lateral pilot study located in Basin L will collect additional data and help NapaSan evaluate the costs and benefits of rehabilitating private laterals. Post construction flow monitoring will occur in the winter of 2017/2018 to evaluate the success of the project.

SUPPORTING DOCUMENTS

A . Resolution

B . Presentation Slides

Napa Sanitation District: Approve

Reviewed By: Timothy Healy