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Agenda Date: 12/18/2018

Agenda Placement: 6K

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors

**FROM:** Steven Lederer - Director of Public Works  
Public Works

**REPORT BY:** Nate Galambos, Engineering Manager - 259-8371

**SUBJECT:** Amendment No. 1 to Agreement Between Napa Sanitation District and Napa County Regarding Road Paving Services

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### **RECOMMENDATION**

Director of Public Works requests the following actions:

1. Approval of and authorization for the Chair to sign Amendment No. 1 to Agreement No. 190152B with Napa Sanitation District increasing the Project Cost Paid by Napa County by \$318,340 for a new maximum of \$1,933,668 for funding the Imola Pocket Paving-ADA Ramp Project scope of work; and
2. Approval of Budget Transfer No. DPW018 for the following (4/5 vote required):
  - a. Increase appropriations by \$318,340 in the Measure T non-operating special revenue fund (Fund 2440, Sub-Division 1220053) offset by the Measure T revenues when funds are received and available; and
  - b. Increase revenue and appropriations by \$318,340 in the Roads CIP, Imola Pocket Paving-ADA Ramp Project (Fund 2040, Sub-Division 2040500, Program 19004) with offsetting revenues from the Measure T non-operating special revenue fund.

### **EXECUTIVE SUMMARY**

On October 16, 2018, the Board of Supervisors approved Agreement No. 190152B (Agreement) between Napa Sanitation District (NSD) and Napa County for combining a NSD sewer rehabilitation project with a County road rehabilitation project in the Imola area. NSD bid the Southeast Napa Sewer & Roadway Rehabilitation Project in October 2018, and opened bids on December 4, 2018. The low bid including a ten percent contingency, for the road rehabilitation work is greater than the amount identified in the Agreement by \$318,340. Therefore, staff is recommending the Board amend the Agreement to update the amount of project cost paid by the County to reflect the total construction cost based on the low bid, and to approve the proposed budget transfer for the above amount with the additional revenue coming from the Measure T Special Revenue Fund. The low bidder is Cratus Inc. out of

San Francisco.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	<p>On October 16, 2018, the Board of Supervisors approved a reimbursement agreement, Agreement No 190152B, with Napa Sanitation District and approved Budget Transfer No. DPW010 to fund project Southeast Napa Sewer and Roadway Rehabilitation Project, RDS 18-24. At that time the construction was estimated to be \$1,615,328, which included a ten percent construction contingency. Bids for the project were opened on December 4, 2018, and the low bid for the roadway rehabilitation portion was \$1,757,880. Including a ten percent construction contingency with the low bid will bring the total construction cost to \$1,933,668.</p> <p>Therefore, staff is requesting to transfer additional \$318,340 to fund the construction work described in Agreement No. 190152B from the Measure T Non-Operating Special Revenue Fund.</p>
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Implementing the paving and ADA Ramp construction concurrent with the NSD sewer rehabilitation project will minimize the construction impacts to the residents and reduce costs for both agencies bidding independently.
Is the general fund affected?	No
Future fiscal impact:	Construction of the sewer rehabilitation is scheduled to begin February 2019. Paving activities are anticipated in fiscal year 2019-20, so there will be a fiscal impact past the current year.
Consequences if not approved:	Paving and ADA Ramp activities will not be able to move forward to construction. If work is completed in future years, then there will be additional construction related impacts to the residents and increased costs to the County.
Additional Information:	

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: **Consideration and possible adoption of a Categorical Exemption Class 1:** It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 1 ("Existing Facilities") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15301; see also Napa County's Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

### **BACKGROUND AND DISCUSSION**

On October 16, 2018 the Board of Supervisors (Board) approved Reimbursement Agreement No. 190152B (Agreement) with Napa Sanitation District (NSD). The Agreement was entered into as a joint effort between NSD and Napa County to complete sewer and roadway rehabilitation work in the Imola area neighborhood. In October 2018, NSD advertised the Southeast Napa Sewer & Roadway Rehabilitation Project (the Project). The County's portion of the work was included as Bid Alternate 1.

The agreement defines the responsibilities of each agency including the amount of project cost paid by each. When the Agreement was prepared and presented to the Board, the best available information identified a construction cost estimate of \$1,468,480. Including a ten percent construction contingency brought the total construction cost estimate to \$1,615,328 and is what is identified as the project cost paid by County in the Agreement.

On December 4, 2018, NSD opened bids for the Project with the following results:

Contractor	Base Bid (Sewer Rehab Work)	Bid Alternate 1 (Road Rehab Work)	Total Bid (Base Bid + Bid Alternate 1)
Cratus Inc.	\$5,280,892.00	\$1,757,880.00	\$7,038,772.00
D'arcy and Harty Construction	\$5,656,536.00	\$1,651,460.00	\$7,307,996.00
Ranger Pipelines	\$6,518,934.00	\$1,767,075.00	\$8,286,009.00
Team Ghilotti	\$9,623,111.90	\$1,776,540.50	\$11,399,652.40

The basis for award by NSD will be the combined Total Bid. The low bidder's price for Bid Alternate 1 was \$1,757,880. Including a ten percent construction contingency, the total construction cost is \$1,933,668.

To continue with the award process, the Agreement needs to be amended to reflect the total construction cost derived from the low bid for roadwork. Additionally, a budget transfer is required to increase the project appropriations to meet the total construction cost based on the low bid. The requested budget transfer is the difference between the total construction cost estimate and the total construction cost, which is \$318,340. The revenue will come from the Measure T Special Revenue Fund that will be available when NSD requests reimbursement during the summer of 2019.

Pending Board approval, the proposed amendment to the Agreement will be presented to the NSD Board on December 19, 2018, for approval along with a recommendation to award the construction contract to the low bidder Cratus Inc., out of San Francisco, CA for their combined low bid of \$7,038,772.

## **SUPPORTING DOCUMENTS**

A . Board Appropriation Request Spreadsheet

CEO Recommendation: Approve

Reviewed By: Helene Franchi