



Agenda Date: 2/3/2021

Agenda Placement: 8A

## Napa Sanitation District Board Agenda Letter

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**TO:** Honorable Board of Directors

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

**REPORT BY:** Karl Ono, Associate Engineer - (707) 258-6013

**SUBJECT:** Award Construction Contract for the 66-inch Trunk Sewer Rehabilitation Project (CIP 19701)

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### **RECOMMENDATION**

Award the construction contract for the 66-inch Trunk Sewer Rehabilitation Project (CIP 19701) to SAK Construction, LLC. for the bid amount of \$5,621,944 and authorize the General Manager to execute the agreement with the contractor and issue the Notice to Proceed, when appropriate.

### **EXECUTIVE SUMMARY**

On January 14, 2021, NapaSan received 3 bids for the 66-inch Trunk Sewer Rehabilitation Project (CIP 19701). The engineer's estimate of probable construction cost for the project was \$11,600,000. SAK Construction, LLC. is the lowest qualified bidder in the amount of \$5,621,944 which is 52% lower than the engineer's estimate.

The second lowest bid was submitted by Insituform Technologies, LLC in the amount of \$7,348,663 which is approximately 31% higher than the low bid. The high bid was submitted at \$7,659,399. A summary of all bids is attached.

The design consultant maintains a database of actual unit costs for similar projects, which were used to develop the engineer's estimate. On average, unit costs received from bidders on this project for large diameter cured-in-place pipe lining and bypass systems were approximately 35% lower than averages on other recent projects. Additionally, the engineer's estimate included a 10% contingency, which was recommended by the design consultant based on recent variability in costs and industry standard practice. Also the design consultant indicated that there are fewer large diameter lining projects bidding for construction in Northern California in 2021 than in the past several years and contractors are seeking to keep labor and equipment resources loaded throughout the year, minimizing downtime.

Notice to Proceed is expected to be issued in late February 2021 and construction is expected to begin in April

2021. The Contractor has 228 calendar days to substantially complete the project from Notice to Proceed.

### **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The project is budgeted in the FY 20/21 and the proposed FY 21/21 Capital Improvement Program. The project budget is \$15,086,550 which is based on the engineer's estimate. The project budget will be revised in the proposed FY 21/22 10-year CIP. The amount to be debt financed is approximately \$9,500,000 which covers all project costs.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The portions of the trunk sewer included in this project have reached the end of their service life and are in need of structural rehabilitation.
Is the general fund affected?	No
Future fiscal impact:	Construction will be completed in FY 21/22. Unused budget from the current fiscal year will be carried forward into next fiscal year.
Consequences if not approved:	The risk of a structural failure along the trunk sewer will increase as deterioration continues to occur.
Additional Information:	The project will be financed by the sale of revenue certificates of participation. Authorization for further action related to financing is included on this agenda.

### **ENVIRONMENTAL IMPACT**

NapaSan approved the project and adopted a Mitigated Negative Declaration on May 20, 2020 by Resolution 20-005.

### **BACKGROUND AND DISCUSSION**

The 66-inch trunk sewer conveys over 90 percent of collection system wastewater flow to NapaSan's Soscol Water Recycling Facility (SWRF). The trunk sewer is approximately three miles long and parallels the east side of the Napa River, extending from Imola Avenue to the SWRF. The trunk sewer was constructed in the 1960s and consists entirely of reinforced concrete pipe (RCP) without a protective coating.

Routine inspections of the trunk sewer conducted in 2012 and again in 2017 revealed significant concrete deterioration had occurred on the inside of the pipeline during those five years. In response, NapaSan initiated a physical condition assessment evaluation in late 2017, which indicated that portions of the RCP trunk sewer were structurally compromised and had exposed and corroded reinforcement. An additional condition assessment of the entire alignment was performed in early 2019. The 2019 condition assessment concluded with recommendations for a near-term structural rehabilitation project for the portion of the alignment south of Kaiser Road.

This project includes rehabilitation of approximately 1.3 miles of 66-inch diameter trunk sewer (0.5% of the total system) from Kaiser Road to the SWRF. The Project also includes rehabilitation/replacement of manholes associated with the trunk sewer rehabilitation, and installation of one new manhole that is required to install the cured-in-place pipe (CIPP) liner.

**SUPPORTING DOCUMENTS**

A . Bid Results

B . Presentation Slides

Napa Sanitation District: Approve

Reviewed By: Timothy Healy