



COUNCIL REPORT

DATE: April 22, 2025

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Annual Water and Sewer Main Replacements, Projects 23-08 and 23-09—Various Actions**

RECOMMENDATION

1. Find that in accordance with California Environmental Quality Act (CEQA) requirements, Annual Water and Sewer Main Replacements, Projects 23-08 and 23-09, is categorically exempt as Class 1, Existing Facilities, and on a separate and independent basis is exempt as Class 2, Replacement or Reconstruction, under CEQA Guidelines Sections 15301(b) and 15302(c), respectively.
2. Appropriate and transfer \$1,501,000 from Annual Water Main Replacement, Project 24-08, to Annual Water Main Replacement, Project 23-08. (Five votes required)
3. Appropriate and transfer \$1,925,000 from Annual Sewer Main Replacement, Project 24-09, and \$2,965,000 from the Wastewater Fund to Annual Sewer Main Replacement, Project 23-09. (Five votes required)
4. Approve plans and specifications for Annual Water and Sewer Main Replacement, Projects 23-08 and 23-09, and authorize staff to advertise the project for bids.
5. Authorize the City Manager or designee to award the construction contract to the lowest responsive, responsible bidder if the low bid is within the available project budget of \$10,938,000.

BACKGROUND

The City's Annual Water and Sewer Main Replacement Projects are infrastructure projects that replace aging and undersized water mains, sewer mains, services, and laterals. The water and sewer mains are selected for replacement based on age of the pipe, maintenance records, failure history, and capacity considerations. Because water and sewer main projects generally attract the same type of utility contractors, they are typically combined in one construction contract to achieve economy of scale and administrative efficiency.

To maximize pipeline replacement, the budgets from two annual nondiscretionary projects for both water and sewer main replacements are typically combined when determining project scopes. This approach accounts for annual funding availability, as well as the typical design timeline of 18 months, which allows staff to take advantage of two years' worth of funding. In consideration of the annual nondiscretionary budgets from Annual Water and Sewer Main Replacements, Projects 24-08 and 24-09, the scopes of work for Projects 23-08 and 23-09 expanded to include more segments of pipeline replacements, which helps to maintain the City's aging infrastructure.

On [November 14, 2023](#), Council approved a professional services contract with BKF Engineers (BKF) to design the replacement of water and sewer mains in various locations around the City for Annual Water and Sewer Main Replacements, Projects 23-08 and 23-09.

ANALYSIS

Annual Water and Sewer Main Replacements, Projects 23-08 and 23-09, will replace approximately 5,323 linear feet and 7,063 linear feet of water and sewer mains, respectively, on Old Middlefield Way, Alvin Street, Drucilla Drive, Carla Court, Bonita Avenue, Gretel Lane, Hans Avenue, Barbara Avenue, and Martens Avenue (see Figures 1 to 3 for locations). The greater extent of sewer replacement needs is due to completed closed circuit television (CCTV) inspections, which identified a higher number of severe structural defects in sewer pipe within the project area. These defects in sewer mains were primarily due to pipe aging and degradation.

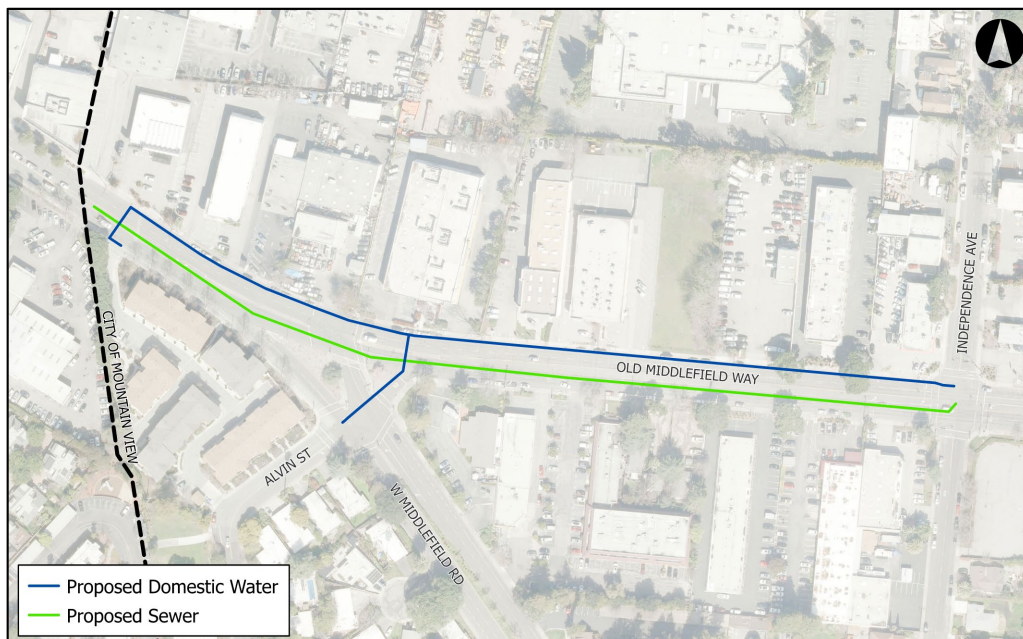


Figure 1: Old Middlefield Way and Alvin Street—Water and Sewer Main Replacements

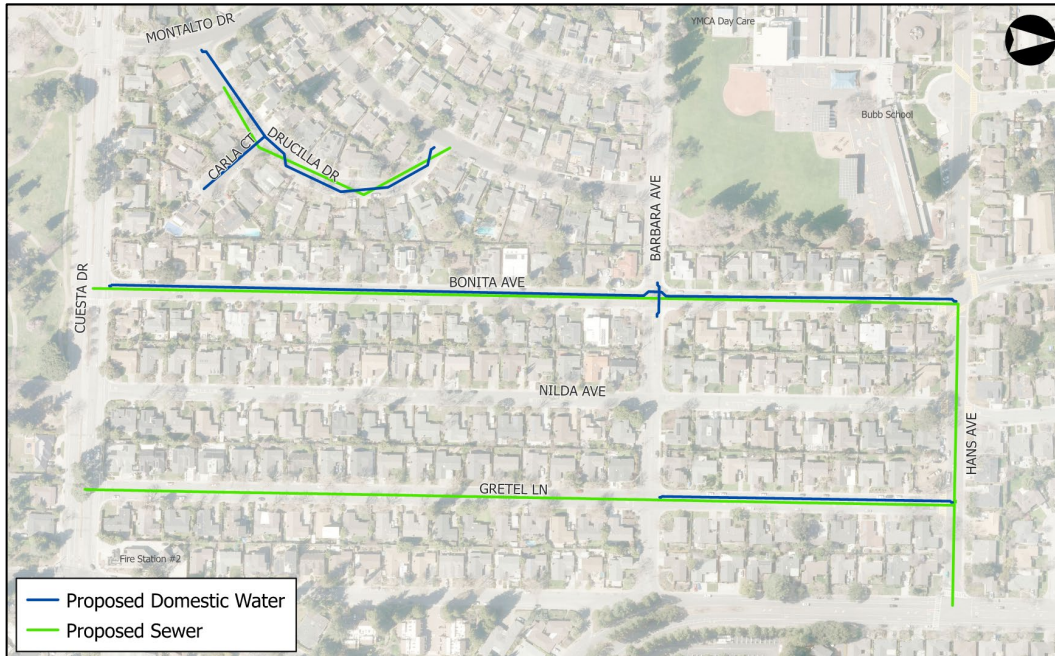


Figure 2: Drucilla Avenue, Carla Court, Bonita Avenue, Gretel Lane, Barbara Avenue, and Hans Avenue—Water and Sewer Main Replacements

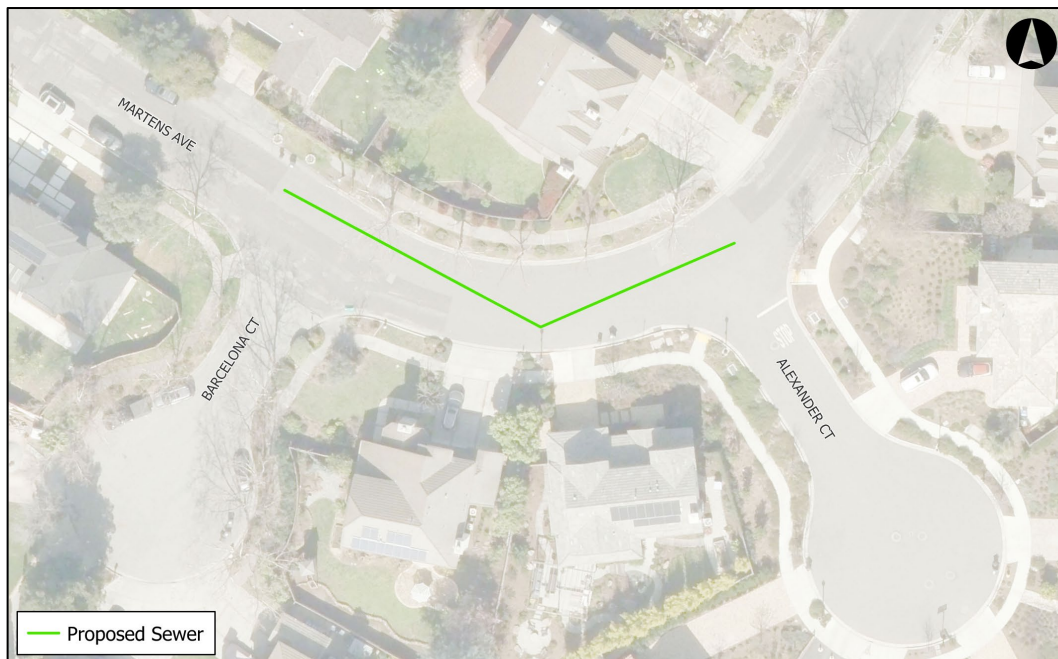


Figure 3: Martens Avenue Sewer Main Replacement

Plans and specifications for the project are complete.

Environmental Clearance

In accordance with the requirements of the California Environmental Quality Act (CEQA), staff has reviewed the scope of this project and determined that it meets the classification for categorically exempt as Class 1, Existing Facilities, pursuant Article 19, Sections 15301(b), and as Class 2, Replacement or Reconstruction, pursuant Article 19, 15302(c), as it consists of replacement of existing public facilities involving negligible or no expansion of capacity. Staff recommends Council make findings that, in accordance with the CEQA requirements, the project is categorically exempt as Class 1, Existing Facilities, and Class 2, Replacement or Reconstruction, under the CEQA Guidelines (Title 14, Division 6, Chapter 3, Article 19 of the California Code of Regulations) Sections 15301(b) and 15302(c), respectively.

FISCAL IMPACT

Annual Water and Sewer Main Replacement, Project 23-08, is funded with \$2,797,000 from Water Capacity Fees, and Annual Water and Sewer Main Replacement, Project 23-09, is funded with \$1,750,000 from Wastewater Capacity Fees, for a combined budget of \$4,547,000. An increase in appropriations is being requested at this time to fully fund the projects.

The estimated project cost for Projects 23-08 and 23-09 is as follows:

Construction	\$ 7,800,000
Construction Contingency	780,000
Project Management	150,000
Construction Management	600,900
Design Consultant Services	719,100
Permitting and Miscellaneous	<u>220,000</u>
Subtotal	\$ 10,270,000
City Administration	<u>668,000</u>
Total Project Cost Estimate	\$10,938,000
Current Project Budget	<u>4,547,000</u>
Budget Shortfall	<u>\$ 6,391,000</u>

As discussed previously, the projects are using two years of annual water and sewer main replacement funding, and staff recommends that Council transfer and appropriate the following amounts from the respective projects and source listed below:

- \$1,501,000 from the available balance in Annual Water Main Replacement, Project 24-08, to Project 23-08.
- \$1,925,000 from the available balance in Annual Sewer Main Replacement, Project 24-09, to Project 23-09.
- \$2,965,000 from the Wastewater Fund to Project 23-09.

There is sufficient funding available in Projects 24-08 and 24-09, and the Wastewater Fund for the recommended actions.

The new budgets for Projects 23-08 and 23-09 would be as follows:

	<u>Project 23-08</u>	<u>Project 23-09</u>	<u>Total</u>
Project Budget	\$2,797,000	\$1,750,000	\$4,547,000
Additional Funding	<u>1,501,000</u>	<u>4,890,000</u>	<u>6,391,000</u>
New Budget	\$4,298,000	\$6,640,000	\$10,938,000

If Council approves the recommended actions and a responsive, responsible bid within the project budget is received, construction is anticipated to begin in summer 2025 and be completed by mid-2026. Advance public noticing will occur prior to and during construction.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a “license, permit, or other entitlement for use” if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

EXEMPT FROM THE LEVINE ACT

- Competitively bid contract

CONCLUSION

Annual Water and Sewer Main Replacements, Projects 23-08 and 23-09, will replace aging and undersized water mains, sewer mains, services, and laterals in various locations outlined in this report. With approval of staff recommendations, staff will advertise the project for construction bids and proceed to award the construction contract for summer construction if the low bid is within the project budget.

ALTERNATIVES

1. Do not make environmental findings and approve plans and specifications, and direct staff to defer the project.
2. Do not appropriate \$1,501,000 from Annual Water Main Replacement, Project 24-08, \$1,925,000 from Annual Sewer Main Replacement, Project 24-09, and \$2,965,000 from Wastewater Fund, and direct staff to reduce the project scope or find alternative funding sources.
3. Provide other direction.

PUBLIC NOTICING

Agenda posting. Individual letters were mailed to property owners near the project sites and property owners impacted by new fire hydrant locations, water meter relocations, and sanitary sewer cleanout relocations.

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