



DATE: June 8, 2021

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Annual Water Main/Service Line Replacement, Project 17-21 – Authorize Professional Services Agreement**

RECOMMENDATION

Authorize the City Manager to execute a professional services agreement with Tanner Pacific, Inc., to provide construction engineering services for Annual Water Main Replacement, Project 17-21, in a not-to-exceed amount of \$319,000.

BACKGROUND

Annual Water Main/Service Line Replacement, Project 17-21, includes the replacement of approximately 5,700 linear feet of water mains on Spring Street, Morgan Street, Morgan Court, Camp Avenue, Telford Avenue, and Rock Street. The water mains in these areas have deteriorated and were selected for replacement primarily due to a relatively high occurrence of main breaks.

On March 9, 2021, the City Council approved plans and specifications for the project, authorized staff to advertise the project for bids, and authorized the City Manager to award a construction contract to the lowest responsible bidder for the project if the low bid is within the project budget. Eight bids were received for the project, with the lowest bidder being Casey Construction, Inc., in the amount of \$2,426,430, which is under the Engineer's Estimate of \$3,500,000 and within the approved project budget.

The Public Works Department utilizes consultants to increase capacity to provide construction engineering and inspection services as necessary to ensure the timely delivery of the City's construction projects and for projects requiring specialized construction expertise. The City currently uses three different firms to provide construction engineering and inspection services for development and capital projects. A separate agreement is required for each Capital Improvement Program (CIP) project using services from one of these firms to include the work as part of the CIP project budget.

ANALYSIS

Staff has determined that construction engineering and inspection services are required for Annual Water Main/Service Line Replacement, Project 17-21. Staff evaluated the three firms that are currently providing construction engineering services to the City and recommends Tanner Pacific, Inc. (Tanner Pacific), as the most qualified to provide the services. Tanner Pacific has been providing the City with similar construction support services on previous and current projects, and these projects give Tanner Pacific a strong knowledge of the City's standards, processes, and procedures to perform the recommended services.

The scope of services to be provided includes construction management, inspections, and project close-out. The recommended fee of \$289,500 for basic services and reimbursable expenses is within the range typically charged for such services, and staff considers the contract costs to be fair and reasonable for the scope of work required.

If the recommended action is approved by Council, Tanner Pacific could begin work in parallel with the start of construction of the project. The project is estimated to start construction in July 2021 and be completed in early 2022.

FISCAL IMPACT

Annual Water Main/Service Line Replacement, Project 17-21, is funded with \$3,323,784 from the Water Fund, \$28,000 from the North Bayshore Water Development Impact Fee, and \$1,597,000 from Water Capacity Fees for a total amount of \$4,948,784. The fee for the recommended contract is \$289,500 for basic services and reimbursable expenses, and a \$29,500 project contingency for a total not-to-exceed amount of \$319,000. The project has sufficient funding for the recommended action.

ALTERNATIVES

1. Do not authorize executing a new professional services agreement for the Annual Water Main Replacement construction management and inspection services.
2. Provide other direction to staff.

PUBLIC NOTICING – Agenda posting.

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cc: APWD – Arango, PCE – Shah, PCE – Gonzales, Construction, SCE – Tseng, ACE –
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