



SAN RAFAEL
THE CITY WITH A MISSION

Agenda Item No: 6.b

Meeting Date: October 17, 2022

SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

Prepared by: April Miller,
Director of Public Works

City Manager Approval:  _____

TOPIC: SAN QUENTIN PUMP STATION RECONSTRUCTION

SUBJECT: ADOPT RESOLUTIONS FOR THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT, CITY PROJECT NO. 11334

1. ADOPT A RESOLUTION AWARDED AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONSTRUCTION AGREEMENT FOR THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT TO THOMPSON BUILDERS CORPORATION, IN THE AMOUNT OF \$6,538,725 AND AUTHORIZING CONTINGENCY FUNDS IN THE AMOUNT OF \$685,275 FOR A TOTAL CONTRACT APPROPRIATION OF \$7,224,000
2. ADOPT A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE A DEDUCTIVE CHANGE ORDER TO THE THOMPSON BUILDERS CORPORATION CONSTRUCTION AGREEMENT FOR THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT IN THE AMOUNT OF \$724,000, FOR A REVISED CONTRACT APPROPRIATION OF \$6,500,000
3. ADOPT A RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH ALPHACM, INC. FOR CONSTRUCTION MANAGEMENT, INSPECTION, AND TESTING SERVICES ASSOCIATED WITH THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT, IN THE AMOUNT NOT TO EXCEED \$515,716
4. ADOPT A RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CSW/STUBER-STROEH ENGINEERING GROUP, INC. FOR BID, CONSTRUCTION, AND ENVIRONMENTAL COMPLIANCE SUPPORT SERVICES ASSOCIATED WITH THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT, IN THE AMOUNT NOT TO EXCEED \$130,550, FOR A REVISED TOTAL AGREEMENT AMOUNT OF \$504,567

RECOMMENDATION: Staff recommends that the City Council adopt the four resolutions named above.

FOR CITY CLERK ONLY

Council Meeting: _____

Disposition: _____

BACKGROUND:

The San Quentin Pump Station was constructed in 1972 and is located in the saltwater marsh wetland and detention pond behind Target and Home Depot off Shoreline Parkway. The pump station conveys stormwater from the detention pond into the San Rafael Bay through a 960-foot-long outfall pipe that goes underneath the levee along the San Francisco Bay Trail. The existing pump station building is approximately 720 square feet in size and consists of a wet well, pressure vault, associated controls, and two vertical pumps.

After almost 50 years of operation, both the pump station and outfall pipe are beyond their useful life and need to be replaced. Without a functioning pump station at this location, stormwater would overflow from the detention pond into the neighboring industrial areas and inundate Interstate 580. Additionally, climate change is anticipated to result in larger storm events and rising sea levels therefore requiring an improved, more powerful pump station in place of the existing one. The new pump station will have additional pumping capacity and will also be more energy efficient than the existing facility. Staff is also studying the feasibility of an in-line trash capture device that will filter any debris running through the system. Staff is seeking State funding for the trash capture device with the intention of installing it after the pump station is completed.

On [December 18, 2017](#), the City Council approved an agreement with CSW/Stuber-Stroeh Engineering Group, Inc. (“CSW|ST2”) for preliminary engineering services resulting in a Basis of Design/Feasibility Study. After amending the agreement on [October 1, 2018](#), the design consultant commenced environmental studies and construction drawings. As required by CEQA, on [January 21, 2020](#), Council adopted the Mitigated Negative Declaration for this project and directed staff to proceed with final design and pursue regulatory environmental permits. That effort was completed, and staff has obtained the necessary environmental permits to construct this project.

City staff has been actively pursuing grant funding to construct this project. In December 2019, staff applied to the FEMA Hazard Mitigation Grant Program to obtain \$2.4 million of federal funds, but that grant application was unsuccessful. In August 2020, staff also applied to the State’s Urban Flood Protection Grant Program to obtain \$1.5 million and that grant application was unsuccessful as well. On [January 18, 2022](#), an informational report was presented to the City Council summarizing City staff’s efforts to obtain grant funding and its recommendation that the City’s recently obtained COVID-19 relief funds funding be used to procure a contractor and construction manager to complete this project.

ANALYSIS:

1. Award of Construction Agreement and Deductive Change Order

On July 21, 2022, the project was advertised in accordance with San Rafael’s Municipal Code. On September 1, 2022, the following bids were received and read aloud:

<u>NAME OF BIDDER</u>	<u>AMOUNT</u>
Thompson Builders Corporation	\$6,538,725
JMB Construction, Inc.	\$6,628,300
Maggiora & Ghilotti, Inc.	\$6,677,000
CWS Construction Group Inc	\$6,955,600
Valentine Corporation	\$7,360,035
Terracon Constructors, Inc.	\$8,122,495

The construction bids were reviewed by Public Works staff with the low bid of \$6,538,725 from Thompson Builders Corporation found to be responsive and responsible. However, the original engineer's estimate, provided by the City's design consultant in June 2022, only totaled \$3.2 million. After analyzing the bids received, it was found that the main elements that had been underestimated included electrical components and concrete construction. Additionally, all items requiring shipping/hauling were more expensive.

Staff reached out to various contractors, construction managers, and other public agencies all of which confirmed that the general construction market has grown considerably more expensive in the past construction season alone and materials are also taking much longer to arrive. It is estimated that the pumps themselves will take more than 40 weeks from ordering to arrive on the project site. As to the question of whether more economical bids would be obtained by rebidding the project at a later date, both contractors and construction managers stated that this would likely result in more expensive bids with some citing recent local examples of projects in the Bay Area that were rebid and received higher totals.

Staff has also worked with the apparent low bidder, Thompson Builders Corporation, and the design consultant, CSW|ST2 to see whether the project could be value engineered to bring costs down. It was determined that several items could be changed without eliminating the new pump station's ability to provide flood protection during a 100-year storm. These items include installation of only two pumps, replacing specific locations of the outfall pipe while only adding HDPE pipe at specific locations to mitigate problems due to settlement, and using different electrical components. The intention is to construct the original pump station design layout for three pumps but only install two pumps at this time and leave space for the third pump to be installed in the future. As mentioned, the design consultant's hydraulic analysis confirms that two pumps of the magnitude proposed should provide adequate flood protection during a 100-year storm. A third pump will be installed in the future, as a separate project, to ensure flood protection is still provided if a pump is down for maintenance and to account for future effects of climate change. It is estimated that these revisions will result in a savings of \$720,000.

Staff recommends contract award to Thompson Builders Corporation at the base bid amount. Included in this City Council item is a separate resolution to approve a deductive change order itemizing the aforementioned and resulting in an immediate reduced construction cost. The new project appropriated amount with the deductive change order applied will be \$6,500,000 which includes an approximate 12% contingency of \$685,275.

2. Award of professional services agreement for Construction Management/Inspection/Testing

On June 29, 2022, City staff solicited proposals for construction management, inspection, and testing services for the project. On July 21, 2022, three proposals from qualified firms were received. All three firms were interviewed and evaluated by City staff and the design consultant based on criteria specified in the Request for Proposals including, but not limited to, relevant experience and success with similar kinds of work, understanding of the work to be done, experience and quality of staff, ability to meet deadline and operate within budget, and references by former clients on similar projects. The evaluation panel found the consulting firm AlphaCM, Inc. to be the most qualified for this project and requested that they provide staff with a scope/fee.

The initial fee schedule provided by AlphaCM totaled \$563,066.08. Considering that the duration of construction is estimated at 260 working days, this total was considered to be reasonable and comparable to other construction management contracts of similar duration. However, once bids for the construction contract were received at the Sept 1st bid opening, staff worked with both the apparent low bidder and AlphaCM to determine where costs could be reduced. After these negotiations, City staff and AlphaCM agreed to a new fee schedule that was reduced by \$47,350.20 for a new total of **\$515,716**.

3. Second Amendment to Design Agreement for Construction Support Services

As the San Quentin Pump Station Reconstruction Project progresses toward construction, staff recommends the City Council approve the proposed contract amendment with CSW|ST2 for bid, construction, and environmental compliance support services. CSW|ST2 previously performed design services for the project and its subconsultants, Miller Pacific Engineering Group and WRA, Inc., prepared the geotechnical report and assisted with environmental compliance and permitting for the project, respectively. Having the design consultant available through bid and construction will expedite the completion of the project, and allow the designer to review material submittals, make minor adjustments to the construction documents, attend meetings, and respond to detailed questions asked by the general contractor. Miller Pacific will provide geotechnical observation and testing. WRA will provide support for compliance with environmental permits and CEQA. These efforts will be performed on an as-needed basis at the request of the City and are separate from the professional services agreement for construction management, inspection, and testing services.

FISCAL IMPACT:

Staff proposes to fund all three agreements associated with construction of this project by utilizing COVID-19 relief funds. The proposed Resolutions would appropriate \$6,500,000 for construction/contingency including the deductive change order, \$515,716 for construction management, inspection, and testing services, and \$130,550 for the amendment to the CSW|ST2 professional services agreement for bid, construction, and environmental compliance support services. These appropriations will be made to the Stormwater Fund (#205). The following table summarizes these expenses.

Expenses: Agreements for Construction

Agreement Type	Contractor/Consultant	Amount
Construction Agreement: Original Base Bid + Contingency	Thompson Builders Corporation	\$7,224,000 (\$6,538,725 + \$685,275)
Construction Agreement: Deductive Change Order	Thompson Builders Corporation	-\$724,000
Construction Agreement + Contingency: Revised Total	Thompson Builders Corporation	\$6,500,000
Construction Management, Inspection, and Testing	AlphaCM	\$515,716
Bid, Construction, and Environmental Compliance Support	CSW ST2	\$130,550
Total Expenses		\$7,146,266

OPTIONS:

1. Adopt all resolutions as presented.

2. Adopt resolutions authorizing the execution of professional services agreements and reject bids and readvertise construction for this project. If this option is chosen, rebidding the project will delay reconstruction of a pump station and outfall pipe that are beyond their useful life and postpone the project until 2023 with construction completion in 2024.
3. Do not adopt the resolutions and provide further direction to staff.

RECOMMENDED ACTION:

Staff recommends that the City Council:

1. Adopt a resolution awarding and authorizing the City Manager to execute the construction agreement for the San Quentin Pump Station Reconstruction Project to Thompson Builders Corporation in the amount of \$6,538,725 and authorizing contingency funds in the amount of \$685,275 for a total contract appropriation of \$7,224,000.
2. Adopt a resolution authorizing and directing the City Manager to execute a deductive change order with Thomas Builders Corporation for the San Quentin Pump Station Reconstruction Project in the amount of \$724,000 for a revised contract appropriation of \$6,500,000.
3. Adopt a resolution approving and authorizing the City Manager to execute a professional services agreement with AlphaCM, Inc. for construction management, inspection, and testing services associated with the San Quentin Pump Station Reconstruction Project in the amount not to exceed \$515,716.
4. Adopt a resolution approving and authorizing the City Manager to execute a second amendment to the professional services agreement with CSW/Stuber-Stroeh Engineering Group, Inc. for bid, construction, and environmental compliance support services associated with the San Quentin Pump Station Reconstruction Project in the amount not to exceed \$130,550 for a revised total agreement amount of \$504,567.

ATTACHMENTS:

1. Resolution awarding and authorizing the City Manager to execute the construction agreement to Thompson Builders Corporation
2. Resolution authorizing and directing the City Manager to execute a Deductive Change Order with Thompson Builders Corporation
3. Resolution approving and authorizing the City Manager to execute a professional services agreement with Alpha CM, Inc. for construction management, inspection, and testing services
4. Resolution approving and authorizing the City Manager to execute an amendment to the professional services agreement with CSW/Stuber-Stroeh Engineering Group, Inc. for bid, construction, and environmental compliance support services

RESOLUTION NO.

RESOLUTION OF THE SAN RAFAEL CITY COUNCIL AWARDING AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONSTRUCTION AGREEMENT FOR THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT TO THOMPSON BUILDERS CORPORATION, IN THE AMOUNT OF \$6,538,725 AND AUTHORIZING CONTINGENCY FUNDS IN THE AMOUNT OF \$685,275 FOR A TOTAL CONTRACT APPROPRIATION OF \$7,224,000.

WHEREAS, the City desires to reconstruct the San Quentin Pump Station; and

WHEREAS, having advertised and solicited construction bids in accordance with the City's Municipal Code, sealed bids were received on September 1st, 2022 for the project entitled "SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT" City Project #11334 in accordance with the plans and specifications therefore on file in the office of the Department of Public Works; and

WHEREAS, the bid of \$6,538,725 from Thompson Builders Corporation at the unit prices stated in its bid, was and is the lowest bid for said work and said bidder is the lowest responsible bidder; and

WHEREAS, staff has recommended that the project budget include a contingency amount of \$685,275 for a total appropriated amount of \$7,224,000.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES
as follows:

1. The plans and specifications for the "San Quentin Pump Station Reconstruction Project", City Project No. 11334 on file in the Department of Public Works, are hereby approved.
2. The bid of \$6,538,725 is hereby accepted at the unit prices stated in its bid, and the contract for said work and improvements is hereby awarded to Thompson Builders Corporation at the stated unit prices.
3. The City Manager is authorized and directed to execute the contract for the bid amount, subject to final approval as to form by the City Attorney, and to return the bidder's bond upon the execution of the contract.
4. Funds totaling \$7,224,000 shall be appropriated for this contract (Project No. 11334) from the Stormwater Fund (#205).

5. The Director of Public Works is hereby authorized to take any and all such actions and make changes as may be necessary to accomplish the purpose of this resolution.

I, Lindsay Lara, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday 17th of October 2022 by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

File No.: 08.06.69

RESOLUTION NO.

RESOLUTION OF THE SAN RAFAEL CITY COUNCIL AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE A DEDUCTIVE CHANGE ORDER TO THE THOMPSON BUILDERS CORPORATION CONSTRUCTION AGREEMENT FOR THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT IN THE AMOUNT OF \$724,000, FOR A REVISED CONTRACT APPROPRIATION OF \$6,500,000

WHEREAS, the City Council by prior resolution on this same date has accepted the bid of \$6,538,725 and awarded the contract for the “SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT” City Project #11334 to Thompson Builders Corporation; and

WHEREAS, the bid amount plus the contingency of \$685,275 equals \$7,224,000, which exceeds the project budget and requires adjustment to bring anticipated project expenses to within budget; and

WHEREAS, City staff have negotiated a deductive change order with Thompson Builders Corporation in the amount of \$724,000, which would bring the contract appropriation down to \$6,500,000;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES as follows:

1. The City Manager is authorized and directed, following execution of the contract with Thompson Builders Corporation, to execute a deductive change order to that contract, at unit prices recommended by the Public Works Director and agreed to by Thompson Builders Corporation, in a total amount of \$724,000.
2. Funds saved by this change order will be deducted from City Project No. 11291 and shall be returned to the Stormwater Fund (#205) account, for a revised contract appropriation of \$6,500,000.
3. The Director of Public Works is hereby authorized to take any and all such actions and make changes as may be necessary to accomplish the purpose of this resolution.

I, Lindsay Lara, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday 17th of October 2022 by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

File No.: 08.06.69

RESOLUTION NO.

RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH ALPHACM, INC. FOR CONSTRUCTION MANAGEMENT, INSPECTION, AND TESTING SERVICES ASSOCIATED WITH THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT, IN THE AMOUNT NOT TO EXCEED \$515,716

WHEREAS, the City desires to reconstruct the San Quentin Pump Station; and

WHEREAS, the City requires outside professional assistance for construction management, inspection, and testing services for the aforementioned project; and

WHEREAS, in response to a request for proposals (RFP), the Department of Public Works received three proposals; and

WHEREAS, staff has reviewed the proposals, conducted interviews, and identified AlphaCM, Inc. to be the most qualified firm; and

WHEREAS, the proposal from AlphaCM, Inc. was found to be complete and within industry standards.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES as follows:

1. The City Manager is hereby authorized to execute a Professional Services Agreement with AlphaCM, Inc. for construction management, inspection, and testing services for the San Quentin Pump Station Reconstruction Project in the amount of \$515,716, in a form approved by the City Attorney.
2. Funds totaling \$515,716 shall be appropriated for this project (Project No. 11334) to the Stormwater Fund (#205).
3. The Director of Public Works is hereby authorized to take any and all such actions and make changes as may be necessary to accomplish the purpose of this resolution.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City on Monday the 17th day of October 2022, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

File No.: 08.06.69

RESOLUTION NO.

RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CSW/STUBER-STROEH ENGINEERING GROUP, INC. FOR BID, CONSTRUCTION, AND ENVIRONMENTAL COMPLIANCE SUPPORT SERVICES ASSOCIATED WITH THE SAN QUENTIN PUMP STATION RECONSTRUCTION PROJECT, IN THE AMOUNT NOT TO EXCEED \$130,550, FOR A REVISED TOTAL AGREEMENT AMOUNT OF \$504,567

WHEREAS, pursuant to the City Council Resolution No. 14440, the City of San Rafael entered into a Professional Services Agreement dated December 26, 2017 with CSW/Stuber-Stroeh Engineering Group, Inc. (“CSW/Stuber-Stroeh”), for preliminary engineering design services associated with the San Quentin Pump Station Reconstruction Project (the “Project”) in an amount not-to-exceed \$128,038; and

WHEREAS, pursuant to the City Council Resolution No. 14591, the City of San Rafael entered into an amended Professional Services Agreement dated October 1, 2018 with CSW/Stuber-Stroeh, for final engineering design and environmental clearance services required to prepare construction plans/specifications as well as secure all environmental clearance documents and regulatory permits for the Project in an amount not-to-exceed \$245,979; and

WHEREAS, the City requires additional bid, construction, and environment compliance support services from CSW/Stuber-Stroeh to deliver the construction phase of the Project; and

WHEREAS, staff received a proposal from CSW/Stuber-Stroeh for said services in a total amount not to exceed \$130,550; and

WHEREAS, staff has reviewed the proposal and found it to be complete and within industry standards;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES
as follows:

1. The City Manager is hereby authorized to execute a Second Amendment to the Professional Services Agreement with CSW/Stuber-Stroeh Engineering Group, Inc. for bid, construction, and environmental compliance support services in the amount

of \$130,550 for a total contract amount of \$504,567, in a form approved by the City Attorney.

2. Funds totaling \$130,550 shall be appropriated for this project (Project No. 11334) to the Stormwater Fund (#205).
3. The Director of Public Works is hereby authorized to take any and all such actions and make changes as may be necessary to accomplish the purpose of this resolution.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City on Monday the 17th day of October 2022, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

File No.: 08.06.69