

Agenda Item #6.1
For Board Meeting of: August 18, 2022

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: GREG DWYER, ASSOCIATE CIVIL ENGINEER
TRANSPORTATION AND PUBLIC WORKS
SUBJECT: CONTRACT AWARD – BACKUP GENERATORS – WATER AND
WASTEWATER FACILITIES

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by the Transportation and Public Works Department and the Water Department that the Board of Public Utilities, by motion, award Construction Contract No. C02256 in the amount of \$9,189,750.00 to the lowest responsive bidder, Terracon Constructors, Inc., of Healdsburg, California for Backup Generators – Water and Wastewater Facilities, approve a 15% contingency, and authorize a total contract amount of \$10,568,212.50.

EXECUTIVE SUMMARY

This motion will award a construction contract in the amount of \$9,189,750.00 to the lowest responsible bidder, Terracon Constructors, Inc. of Healdsburg, California, for Backup Generators – Water and Wastewater Facilities, approve a 15% contingency, and authorize a total contract amount of \$10,568,212.50.

BACKGROUND

This project will upgrade emergency generators at eighteen (18) critical water and wastewater facilities in response to lessons learned in the 2017 Tubbs Fire and is part of the greater effort to harden our City's infrastructure against future hazards. These upgrades will improve system resiliency by increasing power capacities, transitioning to more reliable fuel, and replacing aging equipment. They will also decrease greenhouse gas emissions.

Many of the current emergency generators at water pump stations and sewer lift stations are "dual-fuel," able to burn either natural gas or propane. During/after the Tubbs fire in 2017, PG&E turned off natural gas and City staff had difficulty refueling propane-powered emergency generators. Previously identified mechanical issues with these generators were also highlighted during this time. It was determined that replacing

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the “dual-fuel” generators with diesel generators, which can be refueled using City fleet vehicles, would be in the best interest of the City.

In 2018, the City applied for Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program funds through the California Governor’s Office of Emergency Services (Cal OES). These funds were awarded in late 2019. The total Hazard Mitigation Grant eligible costs are \$4,490,084, which includes a Federal obligation of \$3,367,563 for up to 75 percent Federal share; the non-Federal City share match is \$1,122,521.

In June 2020, the Board of Public Utilities approved a Professional Services Agreement (PSA) with Brelje & Race Consulting Engineers for design services in support of this project. In March 2021, the City executed Amendment No. 1 to this PSA, which commissioned a study evaluating high-flow pumps at water pump stations 16 and 17 to improve emergency water pumping capacities during fire events. The Board approved Amendment No. 2 to this PSA in December 2021, authorizing Brelje & Race to design two new generator buildings at Pump Station S-16 and S-17. New generator buildings are necessary at these sites to accommodate larger generators that will power higher capacity pump arrangements scheduled to be installed as part of a separate capital improvement project (Project ID 2212). Amendment No. 2 also provides for design of electrical, architectural, and structural elements necessary to integrate the new generators into existing infrastructure.

On June 16, 2022, the Board of Public Utilities awarded a Federalized Purchase Order to Peterson Power Systems, Inc., of San Leandro, California, for the purchase of eighteen (18) backup generators for the water and wastewater facilities, in the amount not to exceed \$1,575,710.00. The generators are being purchased separately from and ahead of the construction contract award due to the long lead time for manufacture and delivery.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On June 18, 2020, the Board of Public Utilities approved, by motion, a Professional Services Agreement (PSA) with Brelje & Race Consulting Engineers, of Santa Rosa, California, for design services for Backup Generators at Water and Wastewater Facilities in the amount not to exceed \$485,500.00.

On December 16, 2021, the Board approved by motion, Amendment No. 2 to the PSA with Brelje & Race Consulting Engineers for design services for Backup Generators at Water and Wastewater Facilities in the amount not to exceed \$261,300. Amendment No. 2 expanded the scope of the design PSA to include design of buildings to house larger generators at S-16 (4177 Chanate Road) and S-17 (280 Fountaingrove Parkway) and ancillary electrical, architectural and structural components necessary for generator installation.

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On June 16, 2022, the Board approved, by motion, a Federalized Purchase Order with Peterson Power Systems, Inc., of San Leandro, California, for the purchase of eighteen (18) Backup Generators for Water and Wastewater Facilities. Purchase of the generators for this project was scheduled separately from and ahead of construction contract award due to the long time for manufacture and delivery.

ANALYSIS

Upgrading emergency generators at eighteen critical water and wastewater facilities will assist in the City's effort to harden infrastructure against future hazards, improve system resiliency, use more reliable fuel, replace aging equipment, and decrease greenhouse gas emissions. Purchase of the generators for this project has been scheduled separately from and ahead of construction contract award due to the long lead time for manufacture and delivery.

This project was advertised on June 13, 2022, and bids were received on July 13, 2022. A total of three (3) bids were received, ranging from \$9,189,750 to \$10,888,888. The low bid was approximately 18% above the Engineer's Estimate of \$7,788,900.

City staff and the design consultant have reviewed and evaluated the low bid and determined higher-than-expected bid costs are a result of COVID-19 supply chain issues, rising crude oil prices and the ongoing conflict in Europe. Given these considerations, staff and the consultant believe the low bid price is fair and reasonable.

Construction is anticipated to begin in September 2022 and be completed in June 2024.

The Public Participation Plan is required and has been approved by the Transportation and Public Works Marketing and Outreach Coordinator.

FISCAL IMPACT

Funds for this project were previously appropriated in the fiscal year 2021-22 Water Department Capital Improvement Program budget.

ENVIRONMENTAL IMPACT

This action has been determined statutorily exempt from the California Environmental Quality Act (CEQA) under section 15269 (c) (ii), which includes improvements to essential public service infrastructure facilities designed to mitigate future emergencies.

The use of Federal funds obligates compliance with the National Environmental Policy Act (NEPA). This action is categorically excluded from NEPA under FEMA category code N18, which includes construction or installation of measures for the purpose of ensuring continuity of operations during emergencies.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

ATTACHMENTS

- Attachment 1 – Summary of Bids
- Attachment 2 – Location Map and Information

CONTACT

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