Agenda Item # 10.2
For Board Meeting of: March 6, 2025

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: TANYA MOKVYTS, WATER REUSE ENGINEER
CAPITAL PROJECTS ENGINEERING
SUBJECT: BID REJECTION – LAGUNA TREATMENT PLANT AERATION BASINS INSPECTION, CONTRACT NO. C02404

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by Santa Rosa Water that the Board of Public Utilities, by motion, reject all bids received for Contract No. C02404, Laguna Treatment Plant Aeration Basins Inspection.

EXECUTIVE SUMMARY

This motion will reject all bids for Contract No. C02404, Laguna Treatment Plant Aeration Basins Inspection. Staff recommends rejecting all bids for this contract since only two bids were received, at 128% and 311% over the Engineer's Estimate. The Water Department will pursue adjustments to the scope for the Project that do not significantly impact the Project objectives and anticipate a re-solicitation of bids in 2025.

BACKGROUND

The City of Santa Rosa's Laguna Treatment Plant (LTP) serves the cities of Santa Rosa, Rohnert Park, Sebastopol, Cotati, and the South Park County Sanitation District. LTP's activated sludge process includes settled sewage channels, four aeration basins, and mixed liquor channels, along with a low-pressure air system for secondary (biological) treatment. The low-pressure air system supplies air to the aeration basins through diffusers installed on the floor of the tanks. In addition, the low-pressure air system supplies air to the settled sewage channels and the mixed liquor channels to mix and reduce settling of solids in the channels. City staff at LTP have identified leaking piping and plugged diffusers in the low-pressure air system that impact biological treatment and energy demand.

LTP Aeration Basins Inspection includes inspecting the condition of the settled sewage and mixed liquor channels below the water line, as well as the aeration basins and the low-pressure air system which will allow identification of necessary improvements to the facilities. The activated sludge system must remain in service and continue to treat

wastewater flows to meet discharge requirements without disruption during the inspection process. The four aeration basins are required to treat the peak wet weather flow to the plant; however, during the dry weather season (mid-April through mid-October), two of the four aeration basins may be placed out of service for inspection of the basins, low-pressure air piping, and diffusers while not adversely affecting the quality of the treatment plant effluent. As portions of the settled sewage and mixed liquor channels carry the entire plant flow, pumped bypass systems will be necessary to place these channels out of service for inspection of the channel integrity and low-pressure air piping.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On January 20, 2022, the Board of Public Utilities (Board) approved Project Work Order No. A010171-2016-22, under the Master Professional Services Agreement with Kennedy/Jenks Consultants, Inc., of Santa Rosa, California, to provide Design Services for Laguna Treatment Plant Aeration Basins Improvement Project, in the amount not to exceed $1,019,739.00.

ANALYSIS

The Project was advertised on October 24, 2024, with a bid opening of November 14, 2024. Two (2) bids were received in the amount of $3,870,596.00 and $6,984,800.20, which were 127.68% and 310.87%, respectively, over the Engineer's Estimate. Accepting the low bid and proceeding with the Project would require approximately $2.17M in additional funding. Rejection of the bid will allow the Water Department to revise the project scope and rebid in 2025.

Post-bid opening, interviews were conducted with the prime bidders and potential prime bidders who did not bid on the Project. A summary of the correspondence is as follows:

- The prime bidders interviewed cited the following explanation for their bids: (1) High cost of materials due to current market rates, (2) High cost of labor due to Project Labor Agreement (PLA) requirements, and (3) High cost to dewater, clean, and enter the structures.
- The potential prime bidders interviewed cited the primary reasons for not bidding: (1) Insufficient time to prepare a bid, (2) Backlog of current and upcoming work, (3) PLA requirements (e.g., higher labor rates), (4) Uncertainty on the quantity and composition of the spoils from the cleaning process, and (5) Concerns with the price of materials (e.g., bypass piping and pumping).

FISCAL IMPACT

Rejection of this contract has no additional impact on the budget. Funds for this project were appropriated in the FY 2024/2025 capital improvement budget.

ENVIRONMENTAL IMPACT

Pursuant to CEQA Guidelines Section 15378, the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the proposed action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment.

ATTACHMENTS

- Attachment 1 – Summary of Bids

PRESENTER

Tanya Mokvyts, Water Reuse Engineer