



# Board Agenda Item 69

DATE: September 25, 2018

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director  
Department of Public Works and Planning

SUBJECT: Conditional Award of Contract No. 18-08-C, Waterworks District 38 Wastewater Treatment Facility Improvements

RECOMMENDED ACTION(S):

1. **Adopt plans and specifications and award Contract No. 18-08-C, Waterworks District 38 Wastewater Treatment Facility Improvements to the low bidder, W.M. Lyles Co., 1210 W. Olive Ave., Fresno, CA, in the amount of \$617,070, subject to and conditioned upon the approval of the State Water Resources Control Board.**
2. **Authorize the Director of the Department of Public Works and Planning, following the State Water Resources Control Board's approval of the Conditional Award, as confirmed by notification to the County of its issuance of the Amended Financial Agreement, to:**
  - a) **provide notice to the Chairman and W.M. Lyles Co. that County's receipt of such approval by the State Water Resources Control Board satisfies the condition of the Conditional Award, and**
  - b) **take any further actions and execute any such other documents as the Director may deem necessary or advisable in order to consummate the award of Contract No. 18-08-C, Waterworks District 38 Wastewater Treatment Facility Improvements, to W.M. Lyles Co.**
3. **Authorize the Chairman to:**
  - a) **execute Contract No. 18-08-C, Waterworks District 38 Wastewater Treatment Facility Improvements, on behalf of the County, conditioned upon and following receipt of such notice from the Director, and following receipt from W.M. Lyles Co. of the executed contract, and the related documents as required by the project specifications, and**
  - b) **take any further actions and execute any and all notices, certificates, and other documents as the Chairman may deem necessary or advisable, in order to consummate the award of Contract No. 18-08-C, Waterworks District 38 Wastewater Treatment Facility Improvements, to W.M. Lyles Co.**
4. **Authorize the Director of the Department of Public Works and Planning, or designee, to execute Contract Change Orders up to \$43,353, which is approximately 7.03% of the total contract construction cost, the limit allowable under California Public Contract Code, Section 20142(b) for Contract 18-08-C.**

Approval of the first recommended action will conditionally award the project to W.M. Lyles Co. (W.M. Lyles), as the low bidder. The second and third recommended actions would authorize the Director of the Department of Public Works and Planning and the Chairman, respectively, to carry out the County's

Conditional Award to W.M. Lyles, assuming the State Water Resources Control Board's (SWRCB) prior approval of the Conditional Award of Contract No.18-08-C, Waterworks District 38 Wastewater Treatment Facility Improvements, to W.M. Lyles. The fourth recommended action would authorize the Director to execute contract change orders up to the statutory maximum. If, for whatever reason, the SWRCB does not approve the conditional award, the Department will notify the W.M. Lyles and your Board of the failure of the condition for the final award, in which case all bids will be deemed to have been rejected and the contract will not be executed. The project consists of removal and replacement machinery, rehabilitation of basins, and removal and replacement of the electrical motor control center and miscellaneous components. This item pertains to a location in District 5.

#### ALTERNATIVE ACTION(S):

If the first three recommended actions are not approved, the award of the project will be cancelled, which will result in delays and additional expenditures. If the fourth recommended action is not approved, the Director's, or designee's, authority to approve Contract Change Orders will be limited to \$28,670.36 in accordance with Resolution 91-355, and if exceeded would necessitate returning to your Board for approval.

#### FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. All costs associated with the project are paid by the community of Sky Harbor/Waterworks District 38 (WWD 38). The SWRCB financing package has been made available to the community, including a \$599,420 loan at 1.8% interest and a \$130,580 grant. The loan portion is secured by a standby charge assessment, adopted by the Board on August 6, 2013, Resolution No. 13-256. The community has contributed directly towards the design costs of the project. Costs will be funded by WWD 38, and then reimbursed as funding is received from SWRCB. The anticipated construction activities have been budgeted in the Department of Public Works and Planning - Fresno County Waterworks No. 38 Org 9358 FY 2018-19 Adopted Budget.

#### DISCUSSION:

The work to be done consists, in general, of removal and replacement of the wastewater plant machinery, rehabilitation of the treatment basins, and removal and replacement of the electrical motor control center and miscellaneous electrical components.

The Department received one bid for this project on August 2, 2018. W.M. Lyles' bid of \$617,070 is \$15,815 or 2.63% higher than the engineer's estimate of \$601,255.

To calculate the preferred change order authorization, the Department requests that your Board rely upon the statutory limitation found in Public Contract Code, Section 20142(b). The section limits the extent to which the Director may be authorized to execute Contract Change Orders to 10% of the first \$250,000, plus 5% of the contract amount in excess of \$250,000, to a maximum authorization of \$210,000. Your Board's authorization for the Director, or designee, to approve Contract Change Orders up to this limit would reduce the time required to process changes, reduce paperwork, and help minimize costs and potential delays. This Contract Change Order authorization would not apply to, nor allow, changes to the scope of the work.

Plans and specifications were prepared by Provost and Pritchard Engineering Group, Inc. Construction and the project is anticipated to commence in November 2018 and be complete by March 2019.

#### OTHER REVIEWING AGENCIES:

SWRCB is providing project oversight as the financing authority.

REFERENCE MATERIAL:

BAI #50, March 1, 2016  
BAI #17, August 6, 2013  
BAI #20, June 11, 1991

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map

CAO ANALYST:

Sonia M. De La Rosa