



Staff Reports

File #: 13-2020, **Version:** 1

To: Honorable Mayor and Members of City Council

From: Phil Brun, Utilities Director

Prepared By: Michael J. Hether, Senior Civil Engineer

TITLE:

Agreement for Construction Management Services (Highway 29 Water Main Freeway Crossings Project)

RECOMMENDED ACTION:

1. Authorize the Utilities Director to execute an amendment to Agreement No. C2017-225 with Alta Group, Inc., in the amount of \$150,000, for a total contract amount not to exceed \$400,000, for additional construction management services in support of the Highway 29 Water Main Freeway Crossings Project; and
2. Approve a transfer of \$150,000 from the Water Fund CIP Reserve Account to the Non-Recurring Water Fund, and increase revenue and expenditures by \$37,500 for each of the following CIP projects: Freeway Crossing at Laurel Street (DR15F116), Freeway Crossing at Third Street (DR15F117), Freeway Crossing at Pine Street (DR15F118), and Freeway Crossing at Old Sonoma Road (DR15F206), as documented in Budget Adjustment No. BE2003502; and
3. Determine that the actions authorized by this resolution are exempt from CEQA.

DISCUSSION:

The 2014 South Napa Earthquake caused significant damage to the City's water system, nearly all of which has been repaired except for those whose damage resulted in leaks that cross under the State's Highway 29 right-of-way; for logistical reasons, these leaks were isolated and turned off. In order to address the leaks, City staff informed the California State Office of Emergency Services (Cal-OES) and Federal Emergency Management Agency (FEMA) that new horizontal directionally drilled freeway crossings (i.e. freeway crossings) need to be installed.

In order to complete construction management tasks for the restoration of multiple freeway crossings at Old Sonoma Road, Pine Street, Laurel Street and Third Street, City staff relied on consultant construction management services. On August 2, 2017, the City executed a contract (see attached contract C2017 225) in the amount of \$250,000 with Alta Group, Inc., who has since been performing all construction management tasks in conformance with said contract.

On December 7, 2018, City Council awarded a contract to Garney Pacific, Inc., which authorized construction to restore three of the four freeway crossings which included Old Sonoma Road, Pine Street and Laurel Street. After working through the Cal-OES and FEMA process a contract with

Garney Pacific, Inc. was executed in May 2019 and a double permit was issued by the State Department of Transportation (Caltrans) in June 2019. The City's contractor mobilized in June 2019.

Throughout the course of the project, the City's contractor experienced multiple delays with locations of natural gas mains that were not consistent with records obtained from Pacific Gas & Electric (PG&E). While inconsistencies with natural gas mains occurred at each crossing, the most significant delay began in early August 2019. Specifically, City staff directed its contractor to positively locate and identify PG&E's critical gas transmission main on the west side of the freeway at the intersection of Laurel Street/Kilburn Avenue; this gas main is a high-pressure transmission main that supplies the entire northern portion of Napa County. City staff assessed the risk and believed that positive identification of the gas main was the only option as a matter of safety to the Contractor and the surrounding neighborhood. However, the delay had a cascading effect on the schedule which ultimately resulted in putting the contractor behind schedule for two months. This delay due to unknown gas main locations was not accounted for in the original scope of work submitted by Alta Group, Inc.

City staff has reviewed the remaining scope of work and recommends that City Council authorize the Utilities Director to execute an amendment to the existing contract in an amount not to exceed \$150,000 to for the remaining work to complete the newly constructed freeway crossings (e.g. post-construction services for three of the newly built freeway crossings, project close-out, etc.), along with the remaining freeway crossing at Third Street.

FINANCIAL IMPACTS:

An additional \$150,000 is needed to fund the contract amendment and is currently available in the existing Water Fund Capital Improvement (CIP) Reserve Account.

Since the damage to the City's water system occurred during the South Napa Earthquake event, the City is eligible to receive reimbursement for 93.75% of costs (75% from FEMA and 18.75% from Cal-OES). Capital improvement projects have been established for each repair location and the costs will be tracked individually by project.

The City has received obligations for all freeway crossings based on cost estimates from FEMA and Cal-OES. In accordance with FEMA's Public Assistance program procedures and cost estimating format, the reimbursements for these large projects above the amounts obligated by FEMA will be paid on actual costs. The costs above the amounts obligated by FEMA will be paid from the Water Fund CIP Reserve balance and 93.75% will be reimbursed by FEMA when all freeway crossing projects are completed.

This action would transfer \$150,000 from the Water Fund CIP Reserve Account to the Non-Recurring Water Fund. The \$150,000 would be split equally between the following projects: Freeway Crossing at Laurel Street (DR15F116), Freeway Crossing at Third Street (DR15F117), Freeway Crossing at Pine Street (DR15F118), and Freeway Crossing at Old Sonoma Road (DR15F206). For each project, revenue and expenditures would increase by \$37,500. See attachment 1 (Budget Adjustment Form No. BE2003502) for revenue and expenditure adjustments.

CEQA:

City staff recommends that the City Council determine that the Recommended Action is exempt from CEQA pursuant to CEQA Guidelines Section 15301(b), which exempts the repair and maintenance of

existing publicly-owned utilities.

DOCUMENTS ATTACHED:

ATCH 1 - Budget Adjustment Form No. BE2003502

ATCH 2 - City Contract C2017-225 (Alta Group, Inc.)

NOTIFICATION:

None