



AGENDA SUMMARY EUREKA CITY COUNCIL

TITLE: Annual Lateral Replacement Project 2023 - Award

DEPARTMENT: Public Works

PREPARED BY: Gabriel Adame, Associate Civil Engineer

PRESENTED FOR: Action Information only Discussion

RECOMMENDATION

1. Declare Mercer-Fraser Company the low bidder on the Annual Lateral Repair Project 2023, Bid No. 2023-15; and
2. Award Bid No. 2023-15 to Mercer-Fraser Company for the amount of \$1,000,000;
3. Approve \$1,000,000 for construction.

FISCAL IMPACT

No Fiscal Impact Included in Budget Additional Appropriation

COUNCIL GOALS/STRATEGIC VISION

- Financially Sound City Providing Effective Services

DISCUSSION

The City of Eureka has approximately 11,000 sanitary sewer laterals. The recent updates to the Sewer Lateral Ordinance created triggers that require laterals be inspected and repaired if found to be defective. The cost of the repair and managing a contractor can be onerous to individual property owners. To alleviate this situation the City has created a program which allows property owners to choose to have their lower lateral replaced at a set "in lieu" fee, rather than hiring a contractor. City staff will manage a project to replace a large group of laterals with the intent of providing an economy of scale to reduce the cost of the repairs. The funds accumulated from the in-lieu fees will be applied to the project. The City will then fund the difference in the cost of the lateral replacement, partially subsidizing the work, as required by a court ordered consent decree.

This project consists, in general, of: digging and replacing sewer laterals at various locations throughout the City. It is anticipated that approximately 100 laterals per year will be replaced through this annual project, however the exact number will change

depending on participation in the program. Although the project is requesting award of \$1,000,000 based on an estimated participation of 100 laterals, it is anticipated that approximately \$800,000 will be funded by the in-lieu fees. This project was put out to bid under the City's formal bid process. This includes advertisement in the Times-Standards newspaper classified section, placement of contract documents on the ciplist.com website, holding of a non-mandatory pre-bid meeting, followed up by a question period and addendum. The project was advertised on February 12, 2023, and bids were opened on March 14, 2023, at which time five (5) bids were received. Mercer-Fraser Company was the low bidder. Staff reviewed and evaluated the bids and determined the low bid to be in conformance with the project requirements.

Staff recommends that Council award construction of the Annual Lateral Repair Project 2023, Bid No. 2023-15, to Mercer-Fraser Company for the amount of \$1,000,000, and approve \$1,000,000 for the construction.

Annual Lateral Repair Project 2023			
Bid No. 2023-15			
Bid Opening Date: March 14, 2023			
	Total Base Bid	Total Project Bid	
Engineer's Estimate	\$1,100,000.00	\$1,100,000.00	
Mercer-Fraser Company	\$1,034,000.00	\$1,034,000.00	Apparent Low Bidder
Hooven & Co.	\$1,441,100.00	\$1,441,100.00	
Wahlund Construction	\$1,470,000.00	\$1,470,000.00	
GR Sundberg	\$1,549,000.00	\$1,549,000.00	
Mobley Construction	\$1,570,000.00	\$1,570,000.00	

REVIEWED AND APPROVED BY:

- City Attorney
- City Clerk/Information Services
- Community Services
- Development Services
- Finance
- Fire
- Personnel
- Police
- Public Works