



# STAFF REPORT – CITY COUNCIL MEETING

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March 19, 2025

**TO:** Honorable Mayor and City Council Members

**FROM:** Netra Khatri, City Engineer

**PREPARER:** Steven Luu, Senior Project Manager

**DATE:** March 12, 2025

**TITLE:** **Approve Plans and Award a \$1,377,922.90 Contract for the Plunkett Waterline Retrofit Project to Allen Gill Const., Inc.; Authorize City Engineer to Increase Contract up to 10% for Contingencies; and Authorize City Manager to Execute Applicable Documents.**

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## **RECOMMENDATION:**

It is recommended that the Council:

- 1) Approve the project plans and award a construction contract for Plunkett Waterline Retrofit Project to Allen Gill Construction, Inc. in the amount of \$1,377,922.90;
- 2) Authorize the City Engineer to increase the contract amount by up to 10 percent (\$137,792.29 for a total amount not to exceed \$1,515,715.19) to allow for any unforeseen contingencies or additional work; and
- 3) Authorize the City Manager to execute all applicable documents.

## **INTRODUCTION:**

In 2018, the City applied for and received a grant from the California Office of Emergency Services (CalOES) to complete the Plunkett Road Waterline Retrofit Project (project). Phase One, which included preliminary engineering and environmental documentation, was completed in 2020. Phase Two, covering the final design and construction, began in 2023.

The project has a total funding amount of approximately \$2.2 million, consisting of a \$1.7 million grant and a \$500,000 match. The design phase was completed in late 2024 and, with the bidding phase concluded, the project is about to enter the construction stage.

## **BACKGROUND:**

The City provides water and manages two public water systems: the City of Arcata water system and the Jacoby Creek Water District (JCWD) water system. Through a contractual agreement, the City sells water directly to JCWD customers, maintains and repairs the JCWD distribution system, and ensures compliance with regulatory requirements, including monthly reporting and water sampling.

The project will replace a booster station previously built around 1970 at Jacoby Creek and Dubeault Road and will replace approximately 2,900 linear feet of primarily asbestos-cement water main on Plunkett Road.

The project aims to minimize the risk of water loss and the associated reduction in fire protection for approximately 116 homes in the Plunkett Road area of the JCWD water system due to leaks in the existing water line that is past its service life.

**DISCUSSION:**

This project was first advertised for bids on the City’s website on January 22, 2025, with legal notices published in the Mad River Union on that date and on January 29, 2025. Sealed bids were received until 10:00 a.m. on March 12, 2025. Five (5) sealed bids were received by the deadline:

Sr. No.	Contractor Name	Total Bid
<b>1</b>	<b>Allen Gill Construction, Inc.</b>	<b>1,377,922.90</b>
2	G R Sundberg, Inc	1,379,067.50
3	Wahlund Construction	1,549,980.50
4	McCullough Construction	1,861,488.62
5	Kernen Construction	1,910,526.00

*See Attachment A, an itemized bid tabulation sheet, for a summary of bids received.*

It is recommended that the Council award a contract to the lowest bidder, Allen Gill Construction, Inc. If a contract is presently awarded, work will commence on or after April 14, 2025, and should be completed within 90 working days. Prior to the start of work, the City and the Contractor will issue public notifications to potentially impacted residents and businesses to inform them of construction activities, the potential for traffic and water service impacts, and possible parking restrictions (that will be minimized to the extent possible).

**ENVIRONMENTAL REVIEW (CEQA):**

As the project is federally funded, FEMA has determined that this project is Categorical Excluded from the need to prepare either an Environmental Impact Statement or an Environmental Assessment in accordance with FEMA Instruction 108-1-1 and FEMA Directive 108-1-1, as authorized by DHS Instruction Manual 023-01-001-01, Revision 1. Categorical Exclusion CATEX N7 (Federal Assistance for Structure and Facility Upgrades) has been applied. Furthermore, the project qualifies for the following California Environmental Quality Act (CEQA) categorical exemptions: Section 15301 (c) (Existing Facilities), Section 15302 (c) (Replacement or Reconstruction), and Section 15303 (d) (New Construction or Conversion of Small Structures). Based on the scope of work and special studies related to scenic, biological, botanical, aquatic, cultural and hazardous sites, the project qualifies for a combination of Class 1, Class 2, and Class 3 Categorical Exemptions from CEQA under Sections 15301 (c), 15302 (c), and 15303 (d) of the CEQA Guidelines. The environmental review and documentation reported did not identify any significant effects that will occur from the project, and the exceptions listed in Section 15300.2 of the CEQA Guidelines were found not to apply to the project.

**BUDGET/FISCAL IMPACT:**

The Plunkett Waterline Retrofit Project is supported through a grant through CAL-OES FEMA and the City’s Water Fund.

Approximately \$600,000 of the project budget is anticipated to be spent in FY 24-25 and the remainder will be expended in FY 25-26.

Funding for this project is budgeted under this FY 24-25 as follows :

Account Number/Agency Responsible	Amount	Account Name
661.70.63.57500	\$ 652,133	Water Fund: Capital Improvements (FY24-25)

If contingency or extra work funds are needed, they will be funded out of the same account.

**ATTACHMENTS:**

- A. Plunkett Waterline Retrofit Project\_BID SUMMARY (PDF)