



AGENDA SUMMARY EUREKA CITY COUNCIL

TITLE: Annual Lateral Replacement Project 2025 - Award

DEPARTMENT: Engineering Department

PREPARED BY: Brittany Powell, Project Manager

PRESENTED FOR: ☒ Action ☐ Information only ☐ Discussion/Direction

RECOMMENDATION

- 1) Declare Mobley Construction the low bidder for Bid No. 2025-8, Annual Lateral Replacement Project 2025;
- 2) Award Bid No. 2025-8 to Mobley Construction for the amount of \$1,025,760.00; and
- 3) Approve \$1,075,000.00 for the construction, which includes approximately 5% contingency.

FISCAL IMPACT

☐ No Fiscal Impact ☒ Included in Budget ☐ Additional Appropriation

COUNCIL GOALS/STRATEGIC VISION

- Effective Governance and Health & Safety

BACKGROUND

The City of Eureka has approximately 11,000 sanitary sewer laterals. The City's Sewer Lateral Ordinance created triggers that require laterals be inspected and replaced 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, property owners can choose to pay a fee in lieu to the City rather than hiring a contractor. City staff manages the Annual Lateral Replacement Project (ALRP) 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 are applied to the project. The City funds the difference in the cost of the lateral replacement as required by a court ordered consent decree.

This project consists of replacing approximately 70 sewer laterals at various locations throughout the City. Although the project is requesting award of \$1,050,000 based on an estimated replacement of 70 laterals, it is anticipated that approximately \$875,000 will be funded by the in-lieu fees. The remaining \$200,000 would be covered by sewer enterprise funds.

DISCUSSION

This project was put out to bid under the City's formal bid process. The project was advertised on April 27, 2025, and bids were opened on May 20, 2025, at which time four (4) bids were received. Mobley Construction 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 Replacement Project 2025, Bid No. 2025-8, to Mobley Construction for the amount of \$1,025,760.00, and approve \$1,075,000.00 for the construction.

	Mobley Construction	Mercer Fraser	Wahlund Construction	GR Sundberg
Base Bid:	\$1,025,760.00	\$1,027,082.00	\$1,248,158.00	\$1,476,145.00

The City of Eureka, as the Lead Agency, has determined the proposed project is subject to the California Environmental Quality Act (CEQA). The Lead Agency has further determined that the project is categorically exempt from the provisions of CEQA in accordance with §15301, Existing Facilities, Class I, of the CEQA Guidelines. The proposed project qualifies for this exemption because it involves the replacement and maintenance of sewer laterals with no expansion of use. The Lead Agency further ensures that each location is not barred by one of the exemptions set forth in §15300.2 of the CEQA guidelines.

REVIEWED AND APPROVED BY:

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|---|---|
| <input checked="" type="checkbox"/> City Attorney | <input checked="" type="checkbox"/> City Clerk/Information Services |
| <input type="checkbox"/> Development Services | <input checked="" type="checkbox"/> Finance |
| <input type="checkbox"/> Fire | <input type="checkbox"/> Parks and Recreation |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Police |
| <input type="checkbox"/> Public Works | <input checked="" type="checkbox"/> Engineering |