



Meeting Date: 04/18/18
Agenda Item: # _____

Mission Statement

To provide our growing dynamic community excellent municipal services to make Fernley a great place to live, work, and play. Together, we enhance the desirability, safety, friendliness, aesthetics and quality of life in our city.

CITY OF FERNLEY CITY COUNCIL MEETING STAFF REPORT

REPORT TO: Mayor & City Council
REPORT THRU: Daphne Hooper, City Manager
REPORT BY: Derek W. Starkey, PE, City Engineer
REVIEWED BY: Brandi Jensen, City Attorney
REVIEWED BY: Denise Lewis, Finance Director

AGENDA ITEM: **Possible Action to award one (1) Contract and one (1) Amendment to an Existing Contract, for the Construction and associated Construction Services for the Zone 6 Phase 2 Sewer Rehabilitation Project:**

- 1.) **Award of Contract for Construction to Aspen Developers Corporation, in an amount not to exceed \$339,334.34, plus a 5% contingency of \$17,000.00.**
- 2.) **Approve Amendment A, to extend the existing Zone 6 Phase 2 Contract for Engineering Services with Lumos and Associates, Inc., and to approve additional funds for Construction Services, in an amount not to exceed \$41,000.00.**

ACTION REQUESTED: Consent Ordinance Resolution Motion Receive/File

RECOMMENDED ACTION BY CITY COUNCIL

Staff recommends the following action:

“I move to award the Contracts for Construction and associated Construction Services for the Zone 6 Phase 2 Sewer Rehabilitation Project:

- 1.) **Award of Contract for Construction to Aspen Developers Corporation, in an amount not to exceed \$339,334.34, plus a 5% contingency of \$17,000.00.**
- 2.) **Approve Amendment A, to extend the existing Zone 6 Phase 2 Contract for Engineering Services with Lumos and Associates, Inc., and to approve additional funds for Construction Services, in an amount not to exceed \$41,000.00.”**

Key Points:

1. Aspen Developers Corporation was the qualifying apparent low bidder at the Project Bid Opening.
2. The major work items include, but are not limited to: Jack and bore of 105 LF of a 30" steel casing pipe, installation of new 8", 12", 15" and 18" sewer mains, sewer manholes, abandonment of existing sewer mains and manholes and all related appurtenances as contained in the Contract Documents.
3. The City contracted with Lumos and Associates, Inc. in November 2014 for Engineering Services. Lumos prepared project plans, estimates and contract documents, and will be providing Construction Management Services during Construction, including Inspection and Materials Testing Services.
4. This Project will be paid for using the \$430,000 allocated during the FY 16/17 budget approval process for Design and Construction of the Project.

POLICY REFERENCE

<i>Nevada Statutes:</i>	NRS 625.050 NRS 625.530 Section 3 Restrictions upon Public Works NRS 332.115.1.b NRS 338
<i>Fernley Municipal Code:</i>	N/A
<i>Policies & Procedure Manual:</i>	N/A
<i>Community Assessment:</i>	N/A
<i>Other:</i>	N/A

SUPPORTING INFORMATION

1. These two (2) Contracts are for Construction and associated Construction Services for the Zone 6 Phase 2 Sewer Rehabilitation Project. Major work items include, but are not limited to: Jack and bore of 105 LF of a 30" steel casing pipe, installation of new 8", 12", 15" and 18" sewer mains, sewer manholes, abandonment of existing sewer mains and manholes and all related appurtenances as contained in the Contract Documents.

1.) Contract for Construction

Staff advertised the Project in the Reno Gazette Journal (RGJ), the Mason Valley News and on the City of Fernley website. The RGJ and Mason Valley Advertisements were published on February 21, 2018 and February 28, 2018. The Advertisement was posted on the City of Fernley website from February 21, 2018 through March 28, 2018. Staff opened bids on March 28, 2018. The list of bidders and total bid prices for the Project are shown in the Project Bid Tabulation, referenced below as Attached Information, Item No. 3.

After reviewing the bids and conferring with the City's Project consultants, Lumos and Associates, Inc., Staff recommends awarding the Contract to Aspen Developers Corporation. The Lumos Recommendation of Award Letter is referenced below as Attached Information, Item No. 2.

2.) Amendment A

Lumos prepared plans, specifications and estimates for Phase 2 of the Zone 6 Sewer Rehabilitation Project. The existing Contract for Engineering Services expired on June 30, 2015, and should be extended through FY 17/18 to accommodate completion of CM Services. The remaining Contract balance, as of April 2018, is \$22,800.00. An additional \$41,000.00 will be required to complete Construction Management Services, full time Inspection Services, Materials Testing Services, additional coordination with UPRR and additional Survey Services. The proposed Amendment is referenced below as Attached Information, Item No. 4.

The original City of Fernley Standard Contract for Engineering Services was executed between Lumos and the City in November 2014. Staff commenced work on the Project in December 2014. Lumos achieved 50% design completion by the end of FY 14/15. Due to delays incurred during Phase 1 of the Zone 6 Project, and delays in obtaining the UPRR permit required for Phase 2, Staff directed Lumos to stop work on Phase 2 of the Project during FY15/16. Work resumed on the Project at the beginning of FY 16/17. 90% plans were received by the City from Lumos in February 2017. The fully executed UPRR Permit was received by the City in October 2017.

A substantial amount of additional coordination was required from the City and Lumos to obtain the UPRR Permit. In addition, City requested that Lumos re-compile Contract Documents using the City's current Standard Contract Documents, which had been updated since the FY 14/15 50% PS&E submittal. Due to minimum slopes of the new pipe segments, City is requesting that Lumos perform additional survey to confirm invert elevations (IE) of the new pipes segments during installation. The original scope included full-time inspection of jack and bore, pipe and SSMH installation, and associated backfill, for a total of approximately twelve (12) days of inspection. The proposed Amendment provides one (1) full-time inspector, at ten (10) hour work days for 35 shifts, for a total of 350 inspection hours if needed. Task No. 6, (Easement Exhibits), was not utilized during design of the Project, (nor will it be required for the remainder of the Project). The amount allocated for Task No. 6 per the original Contact will be deducted from the Amendment A proposed total. The Original scope includes laboratory testing to determine maximum dry density, gradation and plasticity of the site soils. The revised scope includes Concrete

Compressive Strength Testing for CLSM Pipe Abandonment and Concrete Compressive Strength Testing for SSMH collars.

The approximate budget synopsis for the project is as follows:

Engineering Services

Contract Total, Lumos and Associates, Inc.	\$62,800.00
Amount Expended, to date	\$40,000.00
Printing/postage to date	\$6.50

UPRR Permitting

UPRR application fee	\$1,055.00
RR Protective Liability Insurance	\$1,800.00
UPRR Agreement license fee	\$18,540.00

Proposed Contracts for Construction Services

Aspen Developers Corporation, Contract for Construction	\$339,334.34
5% Contingency, Contract for Construction	\$17,000
Lumos and Associates, Inc., balance remaining	\$22,800
Lumos and Associates, Inc., Amendment A	\$41,000

Total FY 16/17 Approved Budget: \$430,000
 Total Project expenditures to date: \$61,401.50
 Total Proposed Contracts for Construction Services: \$420,134.34
Total Remaining Budget: - \$51,535.84

The Project budget has been exceeded due to higher than anticipated bids. As mentioned above, additional coordination with UPRR, in conjunction with survey, inspection and testing requirements not included in the original scope of work, will add to the total Project cost. Additional funding for the Project will come out of the reserve balance of the Wastewater Enterprise Fund. Staff recommends awarding the Contract for Construction to Aspen Developers Corporation, and Amendment A to the Standard Contract for Engineering Services, to Lumos and Associates, Inc.

FINANCIAL INFORMATION

FISCAL IMPACT:

1. Is There A Fiscal Impact? Yes
2. Is it Currently Budgeted? Yes
3. If Budgeted, Which Line Item/Account?
520-166-100 Construction in Progress

FISCAL SYNOPSIS:

The approved FY 16/17 budget for the Project is \$430,000.00. This Project will be paid for by the Wastewater Enterprise Fund.

BACKGROUND INFORMATION

During FY 12/13, the wastewater department contracted with a sewer cleaning and inspection firm to complete the full cleaning and video inspection of Zone 6. After cleaning the sewer mains, the contractor inspected the lines with a remote operated camera. They found that quite a few of the lines were in disrepair. Much of this area is over 30 years old and nearing the end of its useful life. Aging underground infrastructure does not operate as it was designed, is expensive to maintain and is susceptible to failure and collapse.

The railroad crossing serves the West Plant Contributory area, and the North Interceptor Contributory area (as described in City of Fernley's 2009 Sewer Master Plan Update). This sewer is 18" in diameter, and the flow is headed northbound. Manhole #468, just south of the tracks, is a major junction point for the City's system. Flows from the West Plant Contributory area come to this junction from the West, and a large portion of the flows from the neighborhoods in the central portion of the North Interceptor area arrive at this junction from the South.

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November 2014. Staff commenced work on the Project in December 2014. Lumos achieved 50% design completion by the end of FY 14/15. Due to delays incurred during Phase 1 of the Zone 6 Project, and delays in obtaining the UPRR permit required for Phase 2, Staff directed Lumos to stop work on Phase 2 of the Project during FY15/16. Work resumed on the Project at the beginning of FY 16/17. 90% plans were received by the City from Lumos in February 2017. The fully executed UPRR Permit was received by the City in October 2017.

Replacement of the line will result in reduced annual O&M expenditures for the City, and an increase in capacity of the Wastewater System.

PRIOR COUNCIL ACTION/REVIEW

May 20, 2014, Discussion and possible action to staff regarding fiscal year 2014/2015 proposed budget including but not limited to; all funds and departments, budget process, timelines, existing budget, assessment and goals for next year, Motion passed.

November 05, 2014, Possible action to approve a Contract for Engineering Services for Phase 2 of the Zone 6 Sewer Rehabilitation Project, North Arm Railroad Crossing North of Hardie Lane, to Lumos and Associates, Inc., in an amount not to exceed \$62,800, Motion passed.

May 07, 2015, Discussion and possible action to staff regarding fiscal year 2015/2016 proposed budget including but not limited to; all funds and departments, budget process, timelines, existing budget, assessment and goals for next year, Motion passed.

May 18, 2016, Discussion and possible action to staff regarding fiscal year 2016/2017 proposed budget including but not limited to; all funds and departments, budget process, timelines, existing budget, assessment and goals for next year, Motion passed.

May 17, 2017, Discussion and possible action to staff regarding fiscal year 2017/2018 proposed budget including but not limited to; all funds and departments, budget process, timelines, existing budget, assessment and goals for next year, Motion passed.

ATTACHED INFORMATION

- 1) City of Fernley Standard Contract for Construction
- 2) Recommendation of Award Letter, Lumos and Associates, Inc.
- 3) Bid Tabulation
- 4) Amendment A to the Zone 6 Phase 2 Project Standard Contract for Engineering Services, Lumos and Associates, Inc.