



Council Agenda Report

From: Ditas Esperanza, Capital Projects Engineer

Subject: Award a Construction Contract for the Repair and Rehabilitation of Water and Sewer Mains on 17th Street, Capitol Hill and Almond Court and a Change Order for Related Construction Services

CEQA Determination: The City finds that this action is categorically exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use (State CEQA Guidelines, § 15301).

Date: August 5, 2025

Facts

1. The FY 2024-25 adopted budget includes road surface repairs of 17th Street from Riverside to 21st Street, Capitol Hill Loop, and Almond Court. The repairs of these streets were included in the list that the City Council adopted to be funded with Measure E-12 (now Measure I-24), supplemental sales tax revenue.
2. However, prior to repairing the road surface, obsolete water and sewer mains must be repaired and rehabilitated, upgrades recommended by the Utilities Department.
3. Plans, Specifications, and Estimates (PS&E) were prepared for reconstructing the underground pipelines and were advertised for bids.
4. At the bid opening on July 10, 2025, four (4) bids were received, with an engineer's estimate of \$1,615,000. The four bids are included below:

| | | | |
|-----------------------|-------------|-----------------------|-------------|
| Mainline Engineering | \$1,553,300 | V. Lopez and Sons | \$1,685,887 |
| Whitaker Construction | \$1,598,705 | Hartzell Construction | \$2,187,940 |
5. Staff reviewed the lowest bid from Mainline Engineering and found it to be a responsive and responsible bid.
6. A contract for design services for pipeline upgrades was awarded to North Coast Engineering in August 2024. The scope did not include construction administration. A change order to North Coast Engineering's contract, in the amount of \$242,242.55 is required to assist staff in construction review of submittals, pay estimates, provide compaction testing, and construction staking and surveying. Also, their services are required for the review of material certificates to ensure they meet specifications and provide answers and clarifications to questions during the construction phase.

Options

1. Take no action;
2. Authorize the City Manager to enter into an agreement with Mainline Engineering to perform the repairs of the underground pipelines at Riverside, Capitol Hill, and Almond Court in the amount of

\$1,553,300, and approve a change order to North Coast Engineering's contract in the amount of \$242,242.55; or

3. Provide alternative directions to staff.

Analysis and Conclusions

In 2012, voters approved Measure E-12 (now Measure I-24), a ½ cent supplemental sales tax to fund road repairs. After the adoption of the supplemental sales tax, the City Council adopted a list of streets for repairs including Riverside, Capitol Hill, and Almond Court. Prior to beginning road surface repairs, repair of the underground pipelines are necessary.

Further, additional technical assistance is needed from North Coast Engineering for construction administration and other required testing and inspections of the pipeline repairs, necessitating a change order to their contract.

Fiscal Impact

The total cost of construction services to Mainline Engineering is \$1,553,300 and to North Coast Engineering for construction management services is \$242,242.55. The City's Capital Improvement Budget for FY 2025-26 includes funding for these pipeline repairs, and no other budgetary action is required.

CEQA

The City finds that this action is categorically exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use (State CEQA Guidelines, § 15301).

Recommendation (Option 2)

Approve Resolution 25-XXX, authorizing the City Manager to enter into an agreement with Mainline Engineering to perform the repairs of the underground pipelines at Riverside, Capitol Hill, and Almond Court in the amount of \$1,553,300, and approve a change order to North Coast Engineering's contract in the amount of \$242,242.55

Attachments

1. Resolution 25-XXX – Water and Sewer Upgrades Riverside 17th to 21st, Capitol Hill Loop, Almon Street
2. Bid - Mainline Engineering
3. Fee Proposal - NCE