



Staff Report

File #: 24-0046

**REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 01/17/2024

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Utilities Department

SUBJECT:
CONTRACT WITH PACIFIC HYDROTECH CORPORATION FOR WATER RECLAMATION FACILITY NO. 1
DIGESTER DOME NO. 2 REPLACEMENT CAPITAL IMPROVEMENT PROJECT NO. UT-2022-05

EXECUTIVE SUMMARY:

This staff report requests the City Council to award Notice Inviting Bids 24-015CA to Pacific Hydrotech Corporation for the Water Reclamation Facility No. 1 Digester Dome No. 2 Replacement Capital Improvement Project No. UT-2022-05. Currently, Digester No. 2 is inoperable due to the condition of its steel dome. The Contract with Pacific Hydrotech Corporation will install a new steel dome, getting Digester No. 2 back online and maintaining the effectiveness of the digestion process at this facility.

RECOMMENDED ACTION:

That the City Council:

- a. Award NIB-24-015CA to Pacific Hydrotech Corporation, the lowest responsive, responsible bidder, for the total bid amount of \$1,723,395 and waive all minor irregularities in the bidding documents as submitted by said bidder for Water Reclamation Facility No. 1 Digester Dome No. 2 Replacement.
- b. Adopt the Plans and Specifications for the Water Reclamation Facility No. 1 Digester Dome No. 2 Capital Improvement Project No. UT-2022-05 (Notice Inviting Bids 24-015CA).
- c. Authorize an appropriation in the amount of \$2,031,479 from the Sewer Utility Fund 572 to the Water Reclamation Facility No. 1 Digester Dome No. 2 Replacement Capital Improvement Project No. UT-2022-05.

- d. Authorize the City Manager, or his designee, to execute the Contract with Pacific Hydrotech Corporation, in the amount of \$1,723,395 including any purchase orders, non-substantive extensions, change orders, and amendments up to 10% of the contract amount or \$172,339.50.

That the Corona Utility Authority review, ratify, and to the extent necessary, direct the City Council to take the above actions.

BACKGROUND & HISTORY:

Water Reclamation Facility No. 1 (WRF1) is located at 2205 Railroad Street. This facility is a crucial part of the City of Corona's municipal infrastructure, processing up to 11.5 million gallons of raw sewage per day. It houses three circular concrete digesters, each with a capacity of approximately 500,000 gallons of sludge that is processed and dewatered every day. The treatment process at WRF1 includes anaerobic digestion in three digesters, followed by sludge dewatering. The treated sludge is then either transported to a composting site or processed in a dryer.

The steel floating dome of Digester No. 2 is severely corroded, posing a potential risk for catastrophic structural failure. Due to safety and regulatory concerns, the digester has been taken out of service. Now, focused efforts are being made to carry out the dome replacement along with vital upgrades guaranteeing the digester's safe and efficient return to service.

The facility's Digesters No. 1 and No. 3 are equipped with concrete dome covers. However, the decision to use a steel dome cover for Digester No. 2 was recommended by the City's hired designer, Webb & Associates (Webb), by way of the design engineer's assessment. It was determined that a steel dome cover, being lighter, would not require major seismic retrofits, making it a more feasible option for Digester No. 2. After this determination was made, the City Council authorized the issuance of a purchase order to Ovivo USA, LLC for the construction of a new steel dome cover for Digester No. 2 at its November 16, 2022, meeting.

ANALYSIS:

With Ovivo USA, LLC nearing the completion of the steel dome construction, staff began the process to secure a contractor to install it at WRF1. On October 10, 2023, Notice of Inviting Bids (NIB 24-015CA) was solicited following City of Corona Municipal Code (CMC) [Section 3.08.110](#) Non-public projects - formal bidding procedure and purchasing policy through the City's PlanetBids bidding portal. Project bidding was limited to the City's 14 prequalified contractors only. On October 25, 2023, four prime prequalified contractors attended a mandatory job walk held at the project site. By the bid due date, November 16, 2023, three bids were received through the PlanetBids bidding service from the following vendors:

Vendor	City	Bid Amount
Pacific Hydrotech Corporation	Perris	\$1,723,395

GSE Construction Company Inc.	Livermore	\$1,794,900
W.M. Lyles Co.	Temecula	\$1,877,500

The project scope of work involves the removal of the existing steel cover and its replacement with the new fixed steel cover, along with the necessary connections to the existing concrete tank and piping. To maintain facility operation during construction, temporary equipment installation is required, along with major civil work, yard piping, mechanical installation, and electrical work. The contractor is responsible for legally disposing of the removed equipment and installing all new equipment.

Scope of Work	Total Price
MOBILIZATION/DEMOLITION (NOT TO EXCEED 5% OF BIDDER'S BID AMOUNT)	\$75,000
DEMOLITION	\$150,000
ASSEMBLY AND INSTALLATION OF DIGESTER DOME LID	\$511,800
CRACK REPAIR	\$4,600
SPALL REPAIR	\$595
COATINGS	\$413,300
MECHANICAL WORK	\$482,700
INSTRUMENTATION AND TELEMETRY	\$18,700
ELECTRICAL	\$56,700
EQUIPMENT COMMISSIONING AND FACILITY STARTUP	\$10,000
Project Total Cost	\$1,723,395

Engineering support will be provided by Webb who will provide submittal review, Request for Information (RFI) review, meeting attendance, and technical assistance during construction. Construction management and inspection services were solicited to the City's four on-call firms; Webb, Kleinfelder, HR Green, and Z & K. The City received proposals from Webb and Z & K. Of the two, Webb was selected to perform inspection and project management in the amount of \$159,800. Webb's existing on-call agreement will provide for those services to manage and oversee the day-to-day construction activities. City staff will serve as the overall Project Manager to uphold the contract documents while interacting directly with the Contractor, lead progress meetings, prepare and maintain project reports, oversee the schedule and budget, verify proper procedures, and ensure that turnaround times for document review and approvals are followed. The Project Manager will also ensure the overall quality and delivery of the project. To ensure compliance with the plans and specifications, an inspector will be on-site as needed. The estimated cost of project management by City staff is approximately \$20,000.

Summary of Project Costs:

Webb Design Services (Completed)	\$201,440
Ovivo Furnished Steel Dome Cover Construction (Completed)	\$304,027
Project Management Support (City Staff)	\$20,000
Engineering Support During Construction (not to exceed amount)	\$72,100
Project Management and Inspection	\$159,800
Pacific Hydrotech Corporation of Contract	\$1,723,395
10% Change Order Authority	\$172,339.50
Total	\$2,653,101.50

City Staff recommends that City Council award NIB 24-015CA and the Contract in the amount of \$1,723,395 to Pacific Hydrotech Corporation, as the lowest responsive, responsible bidder for the WRF No. 1 Digester No. 2 Dome Replacement Project. All licenses and references for Pacific Hydrotech Corporation have been reviewed and verified by City Staff, and all other required documentation is in order.

FINANCIAL IMPACT:

Approval of the recommended actions will result in an appropriation in the amount of \$2,031,479 from the Sewer Utility Fund 572 to the Water Reclamation Facility No. 1 Digester Dome No. 2 Replacement Capital Improvement Project No. UT-2022-05. There is sufficient working capital for the recommended actions.

Fund	Project No.	Requested Appropriation	FY 2024 Current Balance	Project Balance*
572	UT-2022-05	\$2,031,479	\$116,156	\$2,147,635

**Total project balance after requested appropriation.*

ENVIRONMENTAL ANALYSIS:

This action is categorically exempt pursuant to Section 15301 of the Guidelines for the California Environmental Quality Action (CEQA), which states that "operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the CEQA determination" and is therefore exempt from CEQA. This action involves repairs to existing infrastructure to maintain public health and safety and therefore is exempt from the requirements of CEQA. Therefore, no environmental analysis is required.

PREPARED BY: AFTAB HUSSAIN, MAINTENANCE MANAGER

REVIEWED BY: TOM MOODY, DIRECTOR OF UTILITIES

Attachments:

1. Exhibit 1 - Contract with Pacific Hydrotech Corporation