



Staff Report

File #: 22-0946

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

DATE: 12/07/2022

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

FROM: Public Works Department & Utilities Department

SUBJECT:
Award of Contract to MNR Construction, Inc. for the Wardlow Road Sewer Relocation Project No. 2017-18.

EXECUTIVE SUMMARY:

This staff report asks the City Council to award a construction contract to MNR Construction, Inc. to improve the sewer facilities at Wardlow Road and address sewer deficiencies from the Sierra Del Oro (SDO) sewer shed to the Water Reclamation Facility #1 (WRF-1). The Wardlow Sewer Relocation Project will replace and upsize the existing 18" gravity sewer main line to 24" located under State Route 91 and on the Allsize Storage Corona (Allsize) property to accommodate future commercial and residential projects in the SDO area.

RECOMMENDED ACTION:

That the:

- a. City Council adopt the Plans and Specifications for the Wardlow Road Sewer Relocation Project, Project No. 2017-18, Notice Inviting Bids 23-016CA.
- b. City Council award Notice Inviting Bids 23-016CA to MNR Construction, Inc., the lowest responsive, responsible bidder, for the total bid amount of \$2,357,980, and waive any and all minor irregularities in the bidding documents as submitted by said bidder.
- c. City Council authorize the City Manager, or his designee, to execute the construction contract with MNR Construction, Inc. in the amount of \$ 2,357,980.
- d. City Council authorize the City Manager, or his designee, to negotiate and execute non-

substantive extensions, change orders, and amendments up to the amount authorized in Corona Municipal Code Section [3.08.060\(J\)](#), which is equivalent to 10% or \$235,798.

- e. City Council authorize the issuance of a Purchase Order to MNR Construction, Inc. in the amount of \$2,357,980 for construction services.
- f. City Council authorize an appropriation in the amount of \$1,491,373 from the Sewer Capacity Fund 440 and an additional appropriation in the amount of \$121,830 from the Sewer Utility Fund 572 to the Wardlow Road Sewer Relocation Capital Improvement Project No. 72020 for a total project cost of \$2,947,475, which includes construction, contingency, and construction support services.
- g. Corona Utility Authority review, ratify, and to the extent necessary, direct the City Council to take the above actions.

BACKGROUND & HISTORY:

The existing 18" gravity sewer main line located on the Allsize property runs northerly 350 feet under the State Route 91 and transmits a significant volume of sewage from the SDO sewer shed to the WRF-1. Future commercial and residential projects in the SDO area will generate more sewage flows, which necessitates upsizing this existing sewer facility.

The Wardlow Sewer Relocation Project (Project) will replace and upsize the existing 18" sewer line with 24" sewer facility encased in a 42" steel casing pipe. The proposed sewer line construction under State Route 91 required the City to obtain an encroachment permit from the California Department of Transportation ("Caltrans").

On July 06, 2022, City Council approved the Purchase and Sale Agreement with Allsize for the conveyance of 0.13 acres of excess right-of-way located next to the Allsize business at 2785 Palisades Drive in exchange for the City's acquisition of temporary construction easements for the Project. The City has been working with the property owner for over five (5) years to obtain an agreement that is currently in escrow.

ANALYSIS:

The Plans and Specifications for the Wardlow Road Sewer Relocation Project were completed, reviewed, and approved by City staff. The Plans and Specifications include base Bid Schedule for the 24" sewer pipe installation within jack and bore steel casing with steel spacers per City Standard 309 Option A, and two Alternative Bid Items; (1) the 24" sewer pipe installation within jack and bore steel casing with steel rails per City Standard 309 Option B, and (2) utilizing 4x4 redwood skids in lieu of steel spacers or steel rails. The purpose of having two Alternative Bid Items is to allow the flexibility to choose construction alternatives should the base bid design not be achievable during construction.

As specified in the bid package, the City shall award the contract for the project to the lowest responsive, responsible bidder as determined from the lowest total for the summation of the Total Base Bid Schedule and the combined Total Alternate Bid Schedule.

This Project was advertised for bids on September 23, 2022, pursuant to Corona Municipal Code Section [3.08.110](#), the Non-Public Projects - Formal Bidding Procedure, and Public Contract Code requirements to eleven (11) Pre-Qualified Contractors. On October 20, 2022, four (4) bids were received through the City's PlanetBids bidding service.

The lowest bid was determined by the Total of the Base Bid Schedule and Alternative Bid Schedules. The engineer's estimates for both Base Bid Schedule and Base Bid and Alternate Bid Schedules are based on quotes from manufacturers and other recent similar sewer project bid items; unfortunately, the contractor's bids are higher due to current inflation and contractors' workloads. The following is a summary of the bid results and the Engineer's Estimate:

Contractor	Total Base Bid and Alternate Bid Schedules
Engineer's Estimate	\$2,022,378
1. MNR Construction, Inc.	\$ 2,357,980
2. Paulus Engineering, Inc.	\$ 2,395,140
3. Ferreira Coastal Construction	\$ 2,476,432
4. T.E. Roberts, Inc.	\$ 2,623,620

Staff has reviewed the bid and recommends awarding the contract to MNR Construction, Inc. as the lowest responsive, responsible bidder based on the summation of the Base Bid Schedule and Alternative Schedules in the amount of \$2,357,980. All licenses and references for MNR Construction, Inc. have been reviewed and verified by City staff, and all other documentation is in order. The project will benefit the City in time, and overall project costs as terms of the Purchase and Sale Agreement have already been negotiated that include strict timeframes for construction on the Allsize property. Any delays to awarding the project may further delay and increased project costs because Agreements may have to be renegotiated as well as renewing Encroachment Permits that have already been obtained from Caltrans.

City staff will perform the construction contract administration, and a contract consultant will perform inspection and materials testing services. Should the City Council award the contract as recommended, construction is tentatively scheduled to commence in January 2023, with completion anticipated by June 2023 to meet the terms of the Purchase and Sale agreement with the property owner.

FINANCIAL IMPACT:

Funding for the recommended actions and support services in the amount of \$2,947,475 is the combination of the previously approved funding within the Sewer Utility Fund 572 in the amount of \$1,334,272 and an additional appropriation of \$121,830 requested from the Sewer Utility Fund 572 and \$1,491,373 from the Sewer Capacity Fund 440 to the Wardlow Road Sewer Relocation Capital Improvement Project No. 72020.

The estimated construction cost for this project is outlined as follows:

Construction	\$2,357,980
Construction Contract Change Orders (10%)	\$235,798
Construction Support Services	\$353,697
Total Construction Costs	\$2,947,475

With the approval of the recommended actions, funds will be used for the Wardlow Road Sewer Relocation Project. The project budget will be available in the following funding source:

Funding Source	Amount
Sewer Capacity Fund 440	\$1,491,373
Sewer Utility Fund 572	\$1,456,102
Total	\$2,947,475

ENVIRONMENTAL ANALYSIS:

This action is categorically exempt pursuant to Section 15301 of the Guidelines for the California Environmental Quality Action (CEQA), which states that a project which consists of minor repairs and maintenance to existing facilities does not have a significant impact on the environment and is, therefore exempt from CEQA. This action involves minor repairs and replacement of existing pavement, landscapes, and hardscapes, or similar features involving negligible or no expansion of use beyond that currently existing from the requirements of CEQA.

PREPARED BY: MOHAMMED IBRAHIM, SENIOR ENGINEER

REVIEWED BY: SAVAT KHAMPHOU, PUBLIC WORKS DIRECTOR & TOM MOODY, DIRECTOR OF UTILITIES

Attachments:

1. Exhibit 1 - Location Map
2. Exhibit 2 - Contract