



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 1/31/2023

To: Board of Directors, Sonoma Valley County Sanitation District
Department or Agency Name(s): Sonoma Valley County Sanitation District
Staff Name and Phone Number: Parastou Hooshialsadat 707-547-1961
Vote Requirement: 2/3rd
Supervisory District(s): First

Title:

Sonoma Valley County Sanitation District Treatment Plant Seismic Retrofit of Secondary Clarifiers - Contract Award

Recommended Action:

- A) Adopt and approve the Project Manual and Drawings ("plans and specifications") entitled "Sonoma Valley County Sanitation District Treatment Plant Seismic Retrofit Of Secondary Clarifiers."
- B) Award the contract to C. Overaa & Co. for \$6,425,000 for construction of Sonoma Valley County Sanitation District Treatment Plant Seismic Retrofit of Secondary Clarifiers and authorize the Chair to execute the contract.
- C) Authorize the General Manager of Sonoma Water on behalf of Sonoma Valley County Sanitation District (District) acting on behalf of District to sign Section 00 65 23 (Agreement and Release of Any and All Claims), with County Counsel review, if any unresolved claims are listed by the contractor.
- D) Adopt a Resolution authorizing adjustments to the Board Adopted Budget for FY 2022/2023 for the Sonoma Valley County Sanitation District Construction Fund in the amount of \$3,235,000 (2/3 Vote Required).

Executive Summary:

This item requests approval of a contract with C. Overaa & Co. for \$6,425,000 for construction of Sonoma Valley County Sanitation District (District) Treatment Plant Seismic Retrofit of Secondary Clarifiers to mitigate potential failure of the sanitation system by seismic retrofit of the clarifiers' internal components, which will address structural and hydrodynamic loading requirements. This item requests authorization to adjust the District Construction Fund budget in the amount of \$3,235,000 to accommodate increased construction costs for materials and equipment, supply chain disruptions, and the current inflationary bidding environment. There is \$2.64 million in offsetting FEMA grant funding. The District will submit a budget modification request to FEMA for additional funds.

Discussion:

The Sonoma Valley County Sanitation District (District) Treatment Plant is located immediately north of Schell Creek on 22675 8th Street East in Sonoma and receives and treats wastewater from a service area of approximately 4,500 acres. The service area extends from Glen Ellen in the north to Schellville in the south, and includes the City of Sonoma, and the nearby communities of Agua Caliente, Boyes Hot Springs, Eldridge, El Verano, Fetter Hot Springs, Vineburg, and Temelec. There are approximately 17,615 equivalent single family dwelling units in the sewer service area. The average dry weather design flow and permitted capacity of the

District wastewater treatment plant (WWTP) is 3.0 million gallons per day (MGD).

In 2015, the District conducted a hazard assessment of its sanitation system that was published in the Sonoma Valley County Sanitation District Natural Hazard Reliability Assessment (NHRA). On December 15, 2015, District adopted its first Local Hazard Mitigation Plan (Plan) that was approved by the Federal Emergency Management Agency (FEMA) on September 13, 2016. The NHRA and Plan identified the Sonoma Valley County Sanitation District Treatment Plant Seismic Retrofit of Secondary Clarifiers (Project) as one of several mitigation projects that could be implemented to reduce the risk of damage to or failure of the sanitation system in a seismic event. The WWTP facility has two 140-foot diameter circular reinforced concrete clarifier tanks (Clarifiers 1 and 2). While the tanks themselves are considered adequate to withstand a design earthquake, the NHRA identified the clarifiers' internal mechanisms as being vulnerable to seismic inertial forces and resulting hydrodynamic loading.

On October 24, 2019, District was awarded a Phase 1 grant from FEMA to design the Project. The Phase 1 costs were initially estimated at \$261,278, with grant funds covering \$195,958.50 (75% of costs) and District contributing the balance of \$65,319 (25% of costs). On December 21, 2020, District was awarded additional funds to include drilling one geotechnical boring for a total cost of \$106,774, with grant funds covering \$80,080.50 (75% of costs) and District contributing the balance of \$26,693 (25% of costs). The grant period of Phase 1 was initially 18 months, with April 29, 2021 as the Phase 1 completion date. A new performance period end date of April 29, 2022 was approved on January 26, 2021 and the District submitted the Phase 1 closeout documents on September 30, 2021 to FEMA.

Approximately one year later, on October 7, 2022, FEMA approved Phase 1 deliverables and awarded Phase 2 funding to the District. The Phase 2 award was based on the original 2019 estimated costs of \$3,190,000 for the construction contract and \$214,797 for construction management services, with FEMA contributing 75% of costs and District contributing a 25% cost share. District was also awarded \$87,169.50 in federal share to manage the grant.

Prior to FEMA's award of Phase 2 funding in October 2022, the District had submitted a budget modification request to FEMA on February 7, 2022 for an updated total Phase 2 cost estimate of \$4,739,313, with a request for FEMA to fund the additional 75% federal share. This request is still pending approval and was not included in the October 2022 FEMA Phase 2 award. In the event that FEMA does not approve the budget modification, the District will have sufficient fund balance to cover planned expenditures.

Upon Board approval to award the construction contract to C. Overaa & Co. for \$6,425,000, the District will submit another budget modification request to FEMA for additional funds to cover the increased construction contract amount and estimated costs to complete the Project.

The construction work was initially scheduled to be completed in 13 months. However, due to wet weather constraints, long lead times on mechanical equipment, and timing of the Phase 2 award, the construction activities are expected to be completed by January 2025. A new time extension request will be submitted to FEMA in April 2023 after the contractor has had an opportunity to develop a detailed schedule that incorporates anticipated lead times needed to procure equipment.

The Project is needed to mitigate the potential failure of the secondary clarifiers at the WWTP by seismic

retrofit of the clarifiers' internal components, which will address structural and hydrodynamic loading requirements as set forth in applicable codes and design guidance, including, but not limited to, 2019 California Building Code and ASCE 7-16 Minimum Design Loads for Buildings and Other Structures.

A Notice of Exemption (NOE) for compliance with the California Environmental Quality Act (CEQA) was filed with the County Clerk on July 13, 2021.

Sonoma Valley County Sanitation District Treatment Plant Seismic Retrofit Of Secondary Clarifiers - Contract Award consists of seismic retrofit of secondary clarifiers at Owner's treatment plant located at 22675 8th Street East, in the City of Sonoma, California. The Work includes but is not limited to replacing the existing internal secondary clarifier mechanisms in their entirety, modifying the reinforced concrete foundations, and updating electrical and controls, with the new system designed to withstand governing seismic and hydrodynamic sloshing loads. Work shall be completed within 670 Days from the date when Contract Time commences to run. Bidding Documents contain the full description of the Work.

Competitive Process, Selection & Cost Detail

The Project was advertised for bids: 11/10/2022

Bids were opened: 12/06/2022

Bids for construction of said Project were received on December 6, 2022, as follows:

Terracon Constructors, Inc., Healdsburg, California	\$7,675,282
Thompson Builders Corporation, Novato, California	\$6,647,500
Mountain Cascade, Inc., Livermore, California	\$5,563,740
C. Overaa & Co., Richmond, California	\$6,425,000

The Engineer's Estimate was \$3,265,000.

The lowest responsive and responsible bid is from C. Overaa & Co. and is \$3,160,000 above the Engineer's Estimate. C. Overaa & Co. is experienced in this type of construction and met the experience requirements.

The difference between engineering estimate which was prepared in mid-2021 and the lowest bid amount appears to reflect 1) increases in material and equipment costs, 2) continued supply chain disruption and long lead times on equipment, and 3) current inflationary bidding environment with bidders hedging potential cost increases on long duration projects.

A contractor must execute a release of claims (Section 00 65 23) before final payment but may except any unresolved claims from the release. The requested action authorizes the General Manager to approve the release unless the contractor lists unresolved claims. In that case, County Counsel must review Section 00 65 23 prior to General Manager approval.

Construction on the Project is scheduled to begin approximately March, 2023, with an estimated completion date of January 2025.

Alternatives:

There are no viable alternatives to seismically retrofitting the District's secondary clarifiers. Non approval would result in no risk reduction addressing the clarifiers' vulnerability to seismic events and would potentially compromise the District's ability to comply with its National Pollution Discharge Elimination System (NPDES) permit in the event of a significant earthquake.

County Strategic Plan: N/A

Sonoma Water Strategic Plan Alignment: Wastewater Treatment and Water Reuse; Goal 1 - Improve operational reliability of wastewater treatment and water reuse; Action 7: Initiate implementation of hazard mitigation actions identified in the Russian River County Sanitation District (CSD) and Sonoma Valley County Sanitation District (CSD) LHMP systems

Prior Board Actions:

09/22/2020: Authorizing Sonoma County Water Agency's General Manager acting on behalf of Sonoma Valley County Sanitation District to execute and agreement with Water System Consulting, Inc., in not-to-exceed amount of \$253,145.00 for Engineering Design of Seismic Retrofit of Secondary Treatment Clarifiers.

06/09/2020: Adopted Board resolution designating Sonoma Water's General Manager, Assistant General Managers, and Chief Engineer as authorized agents of the Board to apply for, accept awards, and enter into agreements for Federal and/or State disaster funds.

12/15/2015: Adopt Sonoma Valley County Sanitation District Local Hazard Mitigation Plan.

06/04/2013: Approved agreement between Sonoma Valley County Sanitation District and GHD, Inc. for Natural Hazard Reliability Assessment services. Cost \$225,000; term end December 31, 2014.

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY23-24 Projected	FY 24-25 Projected
Budgeted Expenses	\$3,190,000		
Additional Appropriation Requested	\$3,235,000		
Total Expenditures	\$6,425,000		
Funding Sources			
General Fund/WA GF			
State/Federal	\$2,392,500		
Fees/Other	\$797,500		
Use of Fund Balance	\$3,235,000		
Contingencies			
Total Sources	\$6,425,000		

Narrative Explanation of Fiscal Impacts:

Budgeted amount of \$3,190,000 is available from FY 2022/2023 appropriations from the Sonoma Valley

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County Sanitation District Construction Fund.

Additional appropriations of \$3,235,000 are required to process this expense. A budgetary resolution has been submitted with this item. Offsetting revenue in the amount of \$2,392,500 will come from a FEMA Hazard Mitigation Grant. Non-grant funded contract work in the amount of \$797,500 is funded under the Sonoma Valley County Sanitation District Construction Fund. The Construction Fund will have sufficient fund balance to cover planned expenditures without an additional award from FEMA .

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Resolution

Related Items “On File” with the Clerk of the Board:

Project Manual and Drawings