



## COUNTY OF SONOMA

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

### SUMMARY REPORT

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**Agenda Date:** 6/8/2021

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**To:** Board of Directors, Sonoma Valley County Sanitation District  
**Department or Agency Name(s):** Sonoma Valley County Sanitation District  
**Staff Name and Phone Number:** Mike West 707-524-1178  
**Vote Requirement:** 2/3rd  
**Supervisory District(s):** First

**Title:**

Sonoma Valley County Sanitation District Sewer Trunk Main Replacement Phase 4C (Agua Caliente Creek Crossing to Happy Lane) - Rejection of Bids

**Recommended Action:**

Reject all bids received for the Sonoma Valley County Sanitation District Sewer Trunk Main Replacement Phase 4C (Agua Caliente Creek Crossing to Happy Lane)

**Executive Summary:**

This item requests the Board of Directors reject all bids for construction of the Sonoma Valley County Sanitation District Sewer Trunk Main Replacement Phase 4C (Aqua Caliente Creek Crossing to Happy Lane). The requested consent and subordination agreements for the parcels were not received thereby delaying closing of escrow on the property rights being acquired. Sonoma Water plans to re-advertise and re-bid the Project after bank subordinations are complete which will reduce the likelihood of delay to construction.

**Discussion:**

**HISTORY OF ITEM/BACKGROUND**

During a 1995 restructuring of the county government, the Sonoma County Water Agency (Sonoma Water) assumed responsibility for managing the county sanitation zones and districts, which provide wastewater treatment, reclamation, and disposal for approximately 22,000 residences and businesses. Each sanitation zone and district operates under a unique, individual permit from the California Regional Water Quality Control Board (San Francisco and North Coast regions) that sets the requirements for operation. The Sonoma Valley County Sanitation District (District) operates under a National Pollutant Discharge Elimination System (NPDES) permit from the California Regional Water Quality Control Board (San Francisco). The District serves the City of Sonoma and the unincorporated areas of Agua Caliente, Boyes Hot Springs, Eldridge, El Verano, Fetters Hot Springs, Glen Ellen, Schellville, Temelec, and Vineburg.

The District began operation in 1953, when much of the current collection system was installed. The original scale of the collection system was constructed for a service area that has since grown beyond the capacity for which it was originally designed, and with pipe that has since degraded substantially. In an effort to mitigate these issues the District has replaced approximately 27,400 linear feet of trunk main, and 120 manholes since 2003.

Despite the District's ongoing efforts to upgrade its collection system, the terms of the NPDES permit were not met due to the occurrence of 52 sanitary sewer overflows between the dates of August 1, 2010 and January 31, 2015. As a result of violations to the NPDES permit, the San Francisco Regional Water Quality Control Board issued a Cease and Desist order to the District on June 10, 2015. The Cease and Desist Order requires the District to replace 7,108 linear feet of existing 21-inch reinforced concrete trunk main with 27-inch diameter trunk main, replace 31 manholes, and address the structural deficiencies and capacity restrictions in certain sections of the trunk main. The deadline to complete this work is October 31, 2022.

Sonoma Valley County Sanitation District Sewer Trunk Main Replacement Phase 4C (Agua Caliente Creek Crossing To Happy Lane) consisted of construction of District's sewer trunk main replacement from the upper end of the Agua Caliente Creek Crossing Project to manhole M90-3 on Happy Lane in the unincorporated area of Boyes Hot Springs, California. The work included, but was not limited to replacement of approximately 2,100 linear feet of 21-inch diameter trunk sewer main with the installation of 27-inch diameter trunk sewer main, replacement of 6-inch side sewer main with 8-inch diameter side sewer main, trenchless installation of 42-inch diameter steel casing, associated manholes, and re-connection of existing connecting sewer lines.

The Project was advertised for bids: 02/26/2021

Bids were opened: April 6, 2021

Bids for construction of said Project were received on Tuesday, March 30, 2021, as follows:

Azul Works, Inc., San Francisco, CA	\$2,560,056
Ranger Pipelines, Inc., San Francisco, CA	\$2,942,002.50
Ghilotti Construction Company, Santa Rosa, CA	\$3,257,754
JMB Construction, Inc., So. San Francisco, CA	\$3,391,675
Argonaut Constructors, Santa Rosa, CA	\$3,920,709

The Engineer's Estimate was \$4,990,607.00.

Sonoma Water has been actively pursuing right-of-way from property owners located along the Project alignment. While Sonoma Water has reached agreement with the property owners, some of the properties are burdened with mortgages or deeds of trust. For the protection of the District and the property owners, Sonoma Water staff have been attempting to obtain consent and subordination agreements with each of the lenders. The lenders, which hold deeds of trust on 8 parcels, have not provided the requested consent and subordination for any of the parcels thereby delaying closing of escrow on the property rights being acquired. It's anticipated that it will take a minimum of 2 months and possibly as long as 6 months to acquire consent and subordination agreements from the lenders. Acquisition of consent and subordination agreements have a high likelihood of delaying construction of the Project, thereby extending the working period and adding cost.

Document 00 21 13 - provides that "Owner also reserves the right, in its discretion, to reject any or all Bids and to re-bid the Project." Sonoma Water staff believe that by re-advertising and re-bidding the Project after bank subordinations are complete will reduce the likelihood of delay to construction. For these reasons, Sonoma Water staff recommend rejecting all bids.

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Sonoma Water staff will continue pursuing efforts to obtain consent and subordination agreements with the lenders with the intent of re-bidding the project for construction during spring-summer 2022.

Sonoma County Water Agency (on behalf of the District), recommends the Board take the following action:

1. Reject all bids received for the Sonoma Valley County Sanitation District Sewer Trunk Main Replacement Phase 4C (Agua Caliente Creek Crossing to Happy Lane).

**Prior Board Actions:**

12/15/2020: Approved Sonoma Valley County Sanitation District Sewer Trunk Main Replacement Project Phase 4C - Acquisition of Property Rights and Resolution of Necessity

01/29/2019: Approved Resolution #19-0027 determining the District's Sewer Trunk Main Replacement Project will not have an adverse effect on the environment, and adopting the Mitigation Monitoring and Reporting Plan/Program; making certain related findings; approving the Project; and authorizing the filing of a notice of determination (First District)

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 20-21 Adopted</b>	<b>FY21-22 Projected</b>	<b>FY 22-23 Projected</b>
Budgeted Expenses			
Additional Appropriation Requested			
<b>Total Expenditures</b>			
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>			

**Narrative Explanation of Fiscal Impacts:**

There is no fiscal impact.

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

**Narrative Explanation of Staffing Impacts (If Required):**

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N/A

**Attachments:**

None.

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

None.