



## CITY OF CALISTOGA

### STAFF REPORT

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**TO:** Honorable Mayor and City Council  
**FROM:** Michael Kirn, Public Works Director  
**DATE:** March 5, 2019  
**SUBJECT:** Consideration of a Resolution Awarding a Construction Contract to Telstar Instruments in the Amount of \$713,371 for the Palisades Sewer Lift Station Project and Authorizing the City Manager to Execute the Contract

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**SIGNATURE:**

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**DYLAN FEIK, City Manager**

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**DESCRIPTION:** Consideration of a Resolution Awarding a Construction Contract to Telstar Instruments in the Amount of \$713,371 for the Palisades Sewer Lift Station Project and Authorizing the City Manager to Execute the Contract.

**RECOMMENDATION:** Consideration to adopt resolution.

**SUMMARY:**

Consideration of a Resolution that:

1. Conditionally awards a construction contract to Telstar Instruments for the Palisades Sewer Lift Station Project (Project) in the amount of \$713,371, subject to Telstar Instruments providing all documents in satisfaction of the bid award requirements.
2. Approves the Project construction budget in the amount of \$800,000 which includes a contingency of 12% of the bid amount, construction inspection services and authorizes the Public Works Director to negotiate and approve contract change orders up to the approved construction budget amount.

3. Authorizes the City Manager to execute the Project contract on behalf of the City of Calistoga.
4. Directs staff to issue a notice of award to Telstar Instruments and otherwise administer the Project.
5. In the event Telstar Instruments is unable to meet the conditions of award, awards the construction contract to Valentine Corporation conditioned upon Valentine Corporation providing all documents in satisfaction of the bid award requirements.

**ANALYSIS:**

The interior lining of the lift station has failed, and the pumps are at the end of their life cycle and need replacing in order to continue to serve Calistoga’s northeast sewer collection system. Rehabilitating the lift station will ensure proper operation of this critical infrastructure and reduce chances of sanitary sewer overflows. Adobe Engineers prepared Project plans and the Project was advertised for bid in January 2019. On February 21, 2019 two bids were received summarized as follows:

Telstar Instruments	\$713,371	Concord
Valentine Corporation	\$927,369	San Rafael

Staff has reviewed the low bid from Telstar Instruments, performed due diligence, and performed reference checks. Based on this review staff recommends that the City Council find Telstar Instruments to be the lowest responsive and responsible bidder.

**FINANCIAL IMPACT:**

The Project is included in the FY 18/19 Wastewater CIP Budget under Palisades Lift Station, Account #13-5514-4915 with appropriations in the amount of \$800,000.

**CEQA REVIEW:**

The project involves the restoration of existing infrastructure and replacement of the pumps. The facility will be located on the same site and will have the same purpose and capacity as the original infrastructure with little or no expansion in capacity. As such the project is exempt from the provisions of the California Environmental Quality Act pursuant to Title 14, the California Code of Regulations, Section 15302(c).

A Notice of Categorical Exemption was filed with the Napa County Clerk and Office of Planning and Research on December 18, 2018 and we have not received any comments.

**CONSISTENCY WITH CITY COUNCIL GOALS AND OBJECTIVES:**

The project conforms to Council Goal 3: "...improve and maintain City infrastructure."

**ALTERNATIVES:**

1. The Council may reject all bids and direct staff to readvertise the Project with the

hope that more bids are received, and the then low bid is lower than the current low bid.

2. The Council may reject all bids and direct staff to not re-advertise the Project. This may result in pump station failure and having to perform the work under emergency conditions.

**ATTACHMENTS:**

1. Resolution

**RESOLUTION NO. 2019- XXX**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, CONDITIONALLY AWARDING A CONSTRUCTION CONTRACT TO TELSTAR INSTRUMENTS IN THE AMOUNT OF \$713,371 FOR THE PALISADES SEWER LIFT STATION PROJECT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT**

**WHEREAS**, the City needs to repair the failed liner of the sewer lift station wet well and replace the lift pumps in order for the facility to continue to serve Calistoga’s northeast sewer collection system successfully; and

**WHEREAS**, replacing the liner and pumps will ensure proper operation of this critical infrastructure making the facility less likely to sanitary sewer overflows and protect the community’s public health and safety; and

**WHEREAS**, the Project is exempt from the provisions of the California Environmental Quality Act pursuant to Title 14, the California Code of Regulations, Section 15302(c); and

**WHEREAS**, a request for bids was circulated on January 18, 2019 and two bids were received by the City, with the low bidder being Telstar Instruments in the amount of \$713,371 and the second lowest bid was from Valentine Corporation in the amount of \$927,369; and

**WHEREAS**, City staff has confirmed that the bid from Telstar Instruments satisfies the bidding requirements for the Project as described in the bid instructions; and

**WHEREAS**, staff has determined that Telstar Instruments possesses the required license(s) for this Project and is otherwise qualified to perform the Project in accordance with the Contract documents; and

**WHEREAS**, staff has determined that Valentine Corporation also possesses the required license(s) for this Project and is otherwise qualified to perform the Project in accordance with the Contract documents;

**WHEREAS**, staff has reviewed the bid from Telstar Instruments and recommends that the City Council find that Telstar Instruments is the lowest responsible and responsive bidder; and

**WHEREAS**, Staff recommends that the contract be awarded to Telstar Instruments in the amount of \$713,371.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Calistoga as follows:

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1. Finds that the bid from Telstar Instruments is the lowest responsive bid and is a responsible bidder and waives any and all minor bid irregularities.

2. Approves: The Project Plans, Specifications and Construction Documents; a construction budget in the amount of \$800,000 which includes a 12% contingency and construction inspection services; the waiver of any minor irregularities in the bid from Telstar Instruments; and authorization for the Public Works Director/City Engineer to negotiate and approve contract change orders up to the approved construction budget amount.

3. Authorizes expenditures from the FY 2018/19 Wastewater CIP Budget Account #13-5514-4915 in the amount of \$800,000.

4. Awards the construction contract to Telstar Instruments in the amount of \$713,371 for construction of the Palisades Sewer Lift Station Project conditioned upon Telstar Instruments providing all documents in satisfaction of the bid award requirements.

5. The City Manager is hereby authorized to execute the Contract on behalf of the City of Calistoga.

6. Directs staff to issue a notice of award to Telstar Instruments and otherwise administer the Project.

7. In the event Telstar Instruments is unable to satisfy the bid award requirements, awards the construction contract to Valentine Corporation under the same requirements, and authorizes the commensurate increase in expenditures from CIP Account 13-5514-4915 to fund the Project.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Calistoga at a regular meeting held this **5<sup>th</sup> day of March 2019**, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

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**CHRIS CANNING, Mayor**

**ATTEST:**

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**IRENE CAMACHO-WERBY, City Clerk**