

Meeting Date: 9/24/2013

Report Type: Consent

Report ID: 2013-00686

Title: Agreements: SMUD Pole Relocation for Water Treatment Plants Rehabilitation Project

Location: District 3

Issue: The Sacramento Metropolitan Utility District (SMUD) has to relocate some of their power poles and provide new services in order to accommodate the Water Treatment Plants Rehabilitation Project (Z14006000) construction.

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to sign all necessary agreements with the Sacramento Metropolitan Utility District (SMUD) for the Pole Relocation work in conjunction with the Water Treatment Plants Rehabilitation Project, for an amount not to exceed \$300,000.

Contact: Bill Busath, Engineering Services Manager, (916) 808-1434; Dan Sherry, Supervising Engineer, (916) 808-1416, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Cip Engineering

Dept ID: 14001321

Attachments:

1-Description/Analysis

2-Background

3-Attachment 1 (SMUD Agreement)

City Attorney Review

Approved as to Form

Joe Robinson

9/17/2013 6:25:18 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt

Russell Fehr

9/3/2013 10:26:07 AM

Approvals/Acknowledgements

Department Director or Designee: Dave Brent - 9/16/2013 9:01:01 AM

Description/Analysis

Issue Detail: On April 2, 2013, the City Council approved the construction contract with C. Overaa & Co. for the Water Treatment Plants Rehabilitation Project. In order to complete this project some of the existing SMUD power lines and poles are required to be relocated. To avoid a project delay, the Director of Utilities previously approved an agreement for payment of SMUD's initial relocation costs, in the amount of \$99,000, and this report requests authorization to enter into agreements and pay additional necessary relocation costs, for a total expenditure of up to \$300,000, including previous agreements. SMUD is the only entity authorized to perform any work on its utilities.

Policy Considerations: The requested actions will allow the Water Treatment Plants Rehabilitation Project to proceed on schedule.

Economic Impacts: None.

Environmental Considerations: This utility relocation work within the project site is included in the analysis of the adopted Mitigated Negative Declaration, including addenda, for the Water Treatment Plants Rehabilitation Project. All relevant environmental documents for the project are available at the Community Development Department's webpage located at the following link:

<http://www.cityofsacramento.org/dsd/planning/environmental-review/eirs/>

Sustainability: The Project is consistent with the City's Sustainability Master Plan by providing a safe and reliable water supply for the Sacramento Region.

Commission/Committee Action: Not Applicable.

Rationale for Recommendation: Construction of the Water Treatment Plants Rehabilitation Project requires SMUD to relocate some existing utilities and provide new electrical services, which require agreements for the City to pay SMUD's relocation costs.

Financial Considerations: The total cost for the Water Treatment Plants Rehabilitation Project, including design, environmental, construction, construction management, and contingencies is estimated to be \$171 million. The total cost for the necessary SMUD relocation agreements, including the agreement previously approved by the Utilities Director and two future phases, is \$300,000. There is sufficient funding in the Water Treatment Plants Rehabilitation Project (Z14006000, Fund 6310) to approve these SMUD relocation agreements. The costs for SMUD's work was anticipated and included in the project budget. This action has no impact on the General Fund.

Emerging Small Business Development (ESBD): Not applicable.

BACKGROUND

One major component of the Water Treatment Plants Rehabilitation Project is an updated medium-voltage electrical system throughout the Sacramento River Water Treatment Plant (SRWTP). In order to construct this project, it is necessary for Sacramento Municipal Utilities District (SMUD) make some modifications to their existing utilities that are located within the SRWTP.

The work to be performed by SMUD has been broken up into three phases and will occur at different times during the WTPs Rehabilitation Project. Following is a brief summary of this work:

- Phase 1 – Relocate existing overhead power lines, including 5 power poles. This work is currently in progress. The Director of Utilities previously approved an agreement for payment of SMUD’s initial relocation costs, in the amount of \$99,000. An additional agreement in the amount of \$12,424 is needed for SMUD to finalize Phase 1 work (See Attachment 1).
- Phase 2 – Provide two new electrical services to the SRWTP. This work is estimated to take place sometime in 2014 and costs are estimated to be \$150,000. SMUD will not be able to provide the City with the agreement or the exact dollar amount of the agreement until their design of the new services is complete (estimated to be within the next 6 months).
- Phase 3 – SMUD will be removing the two existing electrical services to the SRWTP. Estimated costs for this phase of the work is \$40,000 and should occur by the end of 2015.



Revision 2
July 30, 2013

CA#8000058942/RMT
SN#31156174/SO#30107085
Nakano/Commercial

City of Sacramento, Dept of Utilities
5730 24th St
Sacramento, CA 95822

**RE: Phase 1 Pole Relocation City of Sacramento
1 Water St, S 95822**

Dear Customer:

As you requested, we are prepared to **relocate distribution facilities**. The cost of your job at the above location is as follows:

Bill amount		\$	111,424.00
Received	-	\$	99,000.00
Balance Due		\$	12,424.00

It is understood that you will be responsible for additional costs resulting from:

- Any change(s) in the project initiated by you requiring District re-engineering, re-surveying or re-ordering of materials.
- Work performed outside SMUD's normal working hours, at your request or necessitated by your actions.

Due to possible increase in costs, this quotation is limited to 12 months from **July 22, 2013**. Should you fail to return payment of the balance due, along with the signed **original** of this letter by **July 22, 2014**, the District, at its sole option, may cancel the installation and refund your deposit, without interest. **Upon receipt of the check together with the signed original of this letter acknowledging agreement**, the job will be released for construction scheduling provided all other SMUD requirements have been met. An extra copy of this contract is provided for your files.

City of Sacramento, Dept of Utilities – **Revision**
July 30, 2013
Page 2

CA#8000058942/RMT
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Use the enclosed postage paid envelope or address to SMUD, Attn: New Services Scheduling, MS EA105, P.O. Box 15830, Sacramento, CA 95852-1830. If using express delivery, address to SMUD, Attn: New Services Scheduling, MS EA105, 9744 Kiefer Boulevard, Sacramento, CA 95827. If you plan to make payment in person, please bring this signed letter and your check to the front counter in our Corporation Yard office at 4401 Bradshaw Road, Sacramento, CA 95827.

If you have any questions about this matter, please call Ryan Nakano at (916) 732-6001.

Sincerely,


Matt Schaedler
Supervisor, Distribution Line Design

This is to indicate agreement with the above. The undersigned represents and warrants that he/she has the legal authority to make this agreement on behalf of the customer.

Signature	Name (Please Print)	Date
Title	(Firm)	Phone Number

***** When returning this letter, our *original* signature, along with your *original* signature, is needed. Please do *not* return a fax/copy or make any changes. *****