



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Public Works  
**Department No.:** 054  
**For Agenda Of:** 7/11/2023  
**Placement:** Administrative  
**Estimated Tme:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors, acting as the governing authority of County Service Area 12

**FROM:** Department Director Scott D. McGolpin, P.E. Director, (805) 568-3010

Contact Info: Jeanette Gonzales-Knight, P.E., Interim Deputy Director,  
(805) 882-3627

**SUBJECT:** County Service Area 12 (Mission Canyon Sewer District), Tunnel Road Sewer Main Extension – First Supervisorial District

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors, acting as the governing authority of County Service Area 12:

- a) Approve plans and specifications for Tunnel Road Sewer Main Extension, Project No. TUNSW1, on file in the County Service Area 12 office;
- b) Award the construction contract in the amount of \$520,200 to the lowest responsible bidder, Coastal Construction, (a sole proprietorship and local vendor), subject to the provision of documents and certifications as set forth in the plans and specifications applicable to the project, as required under California law;
- c) Approve and authorize the Chair to execute the attached Construction Contract with Coastal Construction;
- d) Authorize the Public Works Director or designee to approve change orders for a contingency amount up to \$30,000 for the construction of Tunnel Road Sewer Main Extension, Project No. TUNSW1 for a total, not-to-exceed contract amount of \$550,200; and
- e) Determine that the project is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080.21 and CEQA Guidelines (Title 14 of the California Code of Regulations), Section 15282(k) as it consists of the installation of less than one

mile of new sewer line located within existing rights of way and approve the filing of the attached Notice of Exemption on that basis.

**Summary Text:**

This item is on the agenda in order to consider the award of a construction agreement for the Tunnel Road Sewer Main Extension project to Coastal Construction (a sole proprietorship and local vendor). The bid submitted by Coastal Construction in the amount of \$520,200 was the lowest of five submitted after bidding opened at 2:00 p.m. on Thursday, April 13, 2023. Staff has analyzed the bids and determined that it is in accordance with criteria set forth in the bid documents and the California Public Contract Code. Staff finds Coastal Construction to be the lowest responsible bidder and recommends award to this contractor as well as a construction contingency of \$30,000 for a total budget authorization of \$550,200. The 8” sewer main will provide sewer service to parcels currently on septic systems.

**Background:**

County Service Area (CSA) 12 was formed pursuant to Resolution 84-72 by the Board on February 21, 1984 in order to alleviate health and safety concerns related to poorly performing septic systems and in response to a Regional Water Quality Control Board (RWQCB) Basin Plan amendment (Resolution 83-04) that prohibited waste discharge from individual sewage disposal systems within the Mission Canyon area. The Mission Canyon Area was delineated as a “Special Problems Area” due to issues pertaining to flooding, drainage, soils, geology, access, sewage disposal, water supply, location, or elevation that have the potential to impact public health, safety, and welfare pursuant to ordinance 3665 adopted in 1987. A project to construct a sewer system serving the more densely developed area of Mission Canyon was completed on December 12, 1986 with connections made the following year. A joint powers agreement with the City of Santa Barbara provides for the connection to the City sewer system and use of the City’s wastewater treatment plant. The CSA 12 sewer system is regulated by the State Water Resources Control Board (SWRCB) *Statewide Sanitary Sewer Systems General Order, Order No. 2022-0103-DWQ*.

At the time the original sewer system was constructed, certain parcels further up the canyon were allowed to remain on septic service. Planning areas in CSA 12, as delineated in the 1983 *Mission Canyon Area Specific Plan*, were established to manage the sewer system (overseen by the Public Works Department) and monitor septic system maintenance (overseen by the Public Health Department). Subsequently, many remaining septic systems have diminished in function and cannot be replaced. This issue has triggered the need for extensions of sewer main systems in the Mission Canyon area per studies funded by the Public Health Department Environmental Health Services Division for Tunnel Road (2003) and Palomino Road (2009).

This project will provide for an initial sewer main extension up Tunnel Road that provides sewer service to six parcels and with future extensions would accommodate 90 more parcels. Pursuant to CEQA Guidelines Section 15282(k), this work is statutorily exempt because the length is less than one mile and is located in a public road. A Notice of Exemption for this project dated December 21, 2022 was posted at the Clerk of the Board and this project is within the scope of the project description included in that Notice of Exemption.

On February 28, 2023, the Board of Supervisors authorized the Public Works Director to advertise and receive bids for the project. Five bids were received on April 13, 2023 and the bid submitted by Coastal Construction in the amount of \$520,200 was the lowest. This is 13% lower than the engineer’s estimate which was \$597,575. The second bid was \$642,466, while the average was \$859,824. The project was bid with a base amount extending sewer 1,167’ in length and four successively longer additive items extending from the base bid terminus northward (item A through D extending an additional 286’, 586’,

956', and 1,185', respectively). Coastal Construction was the lowest in all five categories, with a base bid of \$349,270, and item A through D at \$110,240, \$170,930, \$238,750, and \$258,470 respectively. Due to budgeting, staff has elected the base bid plus item B for a total amount of \$520,200, extending the sewer a total of 1,753'. Award of the contract is based on Public Contract Code 20103.8(a) which determines the lowest bidder on the base contract without consideration of the prices on the additive or deductive items.

Lastly, staff recommends a construction contingency of \$30,000 based on an industry standard of approximately 5% and is considered as reasonable given the project's size but limited complexity.

**Performance Measure:**

This action is intended to help alleviate groundwater pollution potential by providing for the conversion of septic systems to sewer service.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			\$ 500,000.00
State			
Federal			
Fees			
CSA12 Capital Reserves			\$ 50,200.00
Total	\$ -	\$ -	\$ 550,200.00

Pursuant to a budget revision approved October 11, 2022 that authorized \$500,000 for Capital Assets funded by an operating transfer from the General Fund by release of Committed Props 215/64 – Cannabis fund balance. The remainder of the project costs of \$50,200 are to be funded from CSA12 Capital Reserves, budgeted in Department 054, Fund 2185, Line Item Account 8400. Operations and maintenance costs to be covered by existing CSA 12 rate revenue.

**Special Instructions:**

Please forward the following to County Service Area 12 in the Santa Maria office of Public Works Department located at 620 West Foster Road to the attention of Kevin Thompson:

1. A certified and stamped minute order approving this action.
2. Two duplicate original fully executed contracts (retain the third original for Clerk of the Board files).

**Attachments:**

Attachment A: Construction contract (three originals)

Attachment B: Notice of Exemption dated December 21, 2022 and posted on February 28, 2023

**Authored by:**

Kevin Thompson, P.E., Interim Utilities Manager, (805) 803-8756

**Copy:**

Julie Hagen, CPA, Deputy Director of Finance and Administration

Project File