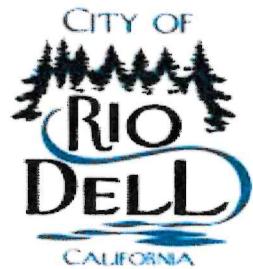


**Rio Dell City Hall**  
**675 Wildwood Avenue**  
**Rio Dell, CA 95562**  
**(707) 764-3532**  
**cityofriodell.ca.gov**



February 3, 2026

TO: Rio Dell City Council  
FROM: Kyle Knopp, City Manager  
SUBJECT: Discussion and Possible Action Authorizing the City Manager to Award Painter Street Sewer Line Replacement Project to Mercer Fraser Company for \$1,570,283.50, Further to Authorize the City Manager to Enter into a Construction Agreement with Mercer Fraser Company for \$1,570,283.50 in Coordination with the City Attorney.

**IT IS RECOMMENDED THAT THE CITY COUNCIL:**

Authorize the City Manager to:

- (1) Award the Painter Street Sewer Line Replacement Project to Mercer Fraser Company for \$1,570,283.50; and,
- (2) Authorize the City Manager to enter into a construction agreement with Mercer Fraser Company for \$1,570,283.50 in coordination with the City Attorney.

Take no action.

**BACKGROUND AND DISCUSSION**

On May 27, 2025 the Rio Dell City Council approved Resolution No. 1633-2025 to enter into a funding agreement with the California State Water Resources Control Board (SWRCB) to receive \$1,490,550 in grant funding for the Painter Street Sewer Line Replacement Project.

At the conclusion of the bidding process Mercer Fraser was determined to be the low bidder for the project at \$1,570,283.50 leaving a gap in funding of \$79,733.50 plus contingencies funding. This figure is very close to target and is received as favorable. Staff is working with the State Water Resources Control Board to bridge this gap in funding and has been told such funding was likely. The City expects this gap in funding to be covered by the SWRCB upon Final Budget Approval (FBA) through the state.

This project is a high priority.

The City of Rio Dell's wastewater collection system contains a critical component known as the "Painter Street Line" that is severely undersized and impaired. This deficiency results in regular sanitary sewer overflows (SSOs) during storm events at the end of Painter Street, creating public health and environmental concerns that the City is obligated to address.

During the rainy season, the City periodically experiences these SSOs due to excessive inflow and infiltration (I&I) entering the collection system during rain events. A significant portion of this I&I consists of groundwater that infiltrates the aging sewer infrastructure. Testing conducted by the City comparing the SSO outflow to upstream river water has demonstrated that the river water actually contains higher contaminant levels than the SSO discharge, due to the sheer volume of diluting groundwater entering the system. However, despite this data, any flow that leaves the sanitary sewer collection system is classified by the State as raw sewage and subject to regulatory enforcement.

The Painter Street Sewer Line Replacement Project involves upsizing the final pipe connection into the wastewater treatment plant to eliminate recurring sanitary sewer overflows during storm events. The project addresses the root cause of SSOs by increasing the capacity of the collection system to handle the excessive inflow and infiltration that occurs during rain events.

Attachment:

Memorandum from City Engineer, GHD.

///

# Memorandum

January 27, 2026

To	City of Rio Dell		
Copy to	Rebecca Crow, Eli Stockwell		
From	Steven Pearl	Tel	+1 707 267-2212
Subject	City of Rio Dell Painter Street Sewer Line Replacement Project	Project no.	12640567

## 1. Bid Summary

As you are aware, GHD opened bids electronically on January 7, 2026 at 2 p.m. for construction of the City of Rio Dell Painter Street Sewer Line Replacement Project, which is being funded by a Clean Water Construction Grant through the State Water Resources Control Board (SWRCB) Clean Water State Revolving Fund (CWSRF). Table 1 below lists the three bids that were received.

*Table 1: Summary of bid results*

Bidder	Total Bid
Mercer Fraser Company	\$1,570,283.50
GR Sundberg Inc.	\$1,932,378.00
Wahlund Construction	\$1,756,221.00

The Total Bid, which is the sum of the Base Bid plus Additive Bid, listed above was the basis for determining the lowest bid as stated in the bid forms. Mercer Fraser Company is the apparent low bidder based on the bids received. As stated in the Bidding Requirements, the basis for contract award is the lowest, responsive, responsible bidder. "Responsive" refers to the "bid" while "responsible" refers to the "bidder".

In considering whether a bid is "responsive", GHD evaluated whether the bid appropriately met the relevant requirements of the bidding documents including submission of appropriate forms. GHD confirmed that all requested bid forms provided by Mercer Fraser Company were complete. If there were any irregularities in the bid, GHD would determine as to whether the irregularity in the bid gives the bidder a material advantage or benefit not enjoyed by other bidders. Upon review of Mercer Fraser Company's bid, GHD found that they appear to be responsive in their bid and that there were no irregularities resulting in a material advantage.

Regarding whether a bidder is "responsible", GHD checked the Department of Consumer Affairs Contractors State License Board and determined Mercer Fraser Company has the appropriate active license as well the subcontractors listed in the bid. In addition, GHD checked the State Department of Industrial Relations (DIR) Division of Labor Standards Enforcement website and determined Mercer Fraser Company and the subcontractors listed in the bid have active DIR

registrations. Lastly, GHD verified with SAM.gov that Mercer Fraser Company is not currently debarred from public bidding. Based on this information, Mercer Fraser Company appears to be responsible.

## 2. Bid Analysis and Recommendation for Award

The project is grant funded through the SWRCB CWSRF with a current available budget of \$1,490,550.00 per the executed construction agreement with the SWRCB (Agreement No. D2404000). A Final Budget Approval Request will be submitted to request an increase of the total grant budget and subsequently amend the current construction agreement. The amended budget amount will include Mercer Fraser Company's total bid amount, design costs that have already been reimbursed, 20% change order contingency, as well as GHD's costs for construction management and administration.

Based on the bid results, GHD recommends the City award the Painter Street Sewer Line Replacement Project to Mercer Fraser Company with a Total Bid amount of \$1,570,283.50.

Following City Council approval to award the project, GHD will issue the Notice of Award to Mercer Fraser Company, which is included as Attachment 2. Mercer Fraser Company will then provide bonds and insurance, and upon review, GHD will prepare the contract forms and the Notice to Proceed for City execution.

Please feel free to contact GHD with any questions.

Regards



**Steven Pearl**  
Project Manager

### Attachments:

- Attachment 1 – Bid Tabulation
- Attachment 2 – Notice of Award

# **Attachment 1**

**Bid Tabulation and Bid Award Tabulation**

Rio Dell Painter Street Sewer Line Replacement Project



Item	Description	Unit	Qty	Mercer-Fraser Co Total Cost
1	Mobilization/Demobilization	LS	1	\$ 157,000.00
2	Project Safety Including Underground Safety	LS	1	\$ 20,000.00
3	Traffic Control	LS	1	\$ 10,000.00
4	Utility Locating and Potholing	LS	1	\$ 20,000.00
5	Temporary Sewer Bypass	LS	1	\$ 40,000.00
6	Dewatering	LS	1	\$ 8,900.00
7	Remove and Dispose of Existing 12-inch Sewer Main (Assumed Asbestos Cement Pipe)	LF	2,290	\$ 57,250.00
8	Remove and Dispose of Existing Manholes	EA	5	\$ 12,500.00
9	Abandon-in-Place Existing 12-inch Sewer Main	LF	211	\$ 3,903.50
10	Abandon-in-Place Existing Manhole	EA	2	\$ 7,500.00
11	Protect-in-Place Greenhouse; Relocate Temporary Carport Structure; Support House Utilities As Needed at APN 053-011-024	LS	1	\$ 6,000.00
12	Clearing, Grubbing and Tree Removal	LS	1	\$ 6,000.00
13	Construct 12-inch SDR35 PVC Sewer Main	LF	45	\$ 6,300.00
14	Construct 18-inch SDR35 PVC Sewer Main – MH4 to MH6	LF	227	\$ 124,850.00
15	Construct Dual 15-inch SDR35 PVC Sewer Mains – MH1 to MH2	LF	776	\$ 155,200.00
16	Construct Dual 15-inch SDR35 PVC Sewer Mains – MH2 to MH3	LF	655	\$ 262,000.00
17	Construct Dual 15-inch SDR35 PVC Sewer Mains – MH3 to MH4	LF	730	\$ 146,000.00
18	Construct Painter Street Concrete Junction Structure (MH1)	EA	1	\$ 80,000.00
19	Construct 84-inch I.D. Standard Manhole (MH2, MH3, MH4)	EA	3	\$ 105,000.00
20	Construct 60-inch I.D. Standard Manhole (MH5 & MH6)	EA	2	\$ 60,000.00
21	Connect Existing Sewer Main, Painter St, Davis St & at WWTP	EA	7	\$ 42,000.00
22	Reconnect Sewer Lateral to New Sewer, 4"-6"	EA	13	\$ 65,000.00
23	Connect to Existing Headworks	LS	1	\$ 10,000.00
24	Post-Construction Internal CCTV of Sewer Mains	LF	4,542	\$ 18,168.00
25	Civil Improvements	LS	1	\$ 55,000.00
26	Remove and Replace Existing Fencing at PL's 5 Locations	LS	1	\$ 3,500.00
27	Construct Chain-Linked Fence and Gate at MH4	LS	1	\$ 7,922.00
28	Water Line Relocation near STA 10+42	LS	1	\$ 2,800.00
	<b>BASE BID</b>			<b>\$ 1,492,793.50</b>
A1	Asphalt Paving on Walnut Dr	TON	270	\$ 77,490.00
	<b>ADDITIONAL BID</b>			<b>\$ 77,490.00</b>
	<b>TOTAL BID</b>			<b>\$ 1,550,283.50</b>

# **Attachment 2**

**Notice of Award**

**NOTICE OF AWARD**

TO: Mercer-Fraser Company  
PO Box 1006  
Eureka, CA 95502

PROJECT: City of Rio Dell Painter Street Sewer Line Replacement

The OWNER has considered the BID submitted by you for the above described WORK in response to its Advertisement for BIDS dated January 7, 2026 and Information for BIDDERS.

You are hereby notified that your BID has been accepted for items in the amount of

One Million Five Hundred Seventy Thousand Two Hundred Eighty Three and one half Dollars (\$  
\$1,570,283.50)

You are required by the Information for BIDDERS to execute the Agreement and furnish the required Contractor's certificates of insurance within ten (10) calendar days from the date this Notice is received by you.

If you fail to execute said Agreement and to furnish said INSURANCE within ten (10) calendar days from the date of receipt of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this 19 day of January, 2026

Owner: City of Rio Dell

By: \_\_\_\_\_ Title: City Manager

**ACCEPTANCE OF NOTICE**

Receipt of the above NOTICE OF AWARD is hereby acknowledged by:

\_\_\_\_\_ (Name of Contractor)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_