

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION TO AUTHORIZE A REIMBURSEMENT AGREEMENT WITH H. D. ARNAIZ CORPORATION FOR DESIGN, CONSTRUCTION, CONSTRUCTION MANAGEMENT, AND PROJECT MANAGEMENT SERVICES FOR THE NORTHEAST STOCKTON WATER TRANSMISSION MAIN PROJECT

To provide potable water for the planned development of industrial, commercial, and residential property, and the need for increased fire suppression water supply in northeast Stockton, the City North Water System needs to be expanded through the installation of the Northeast Stockton Water Transmission Main Project (the "Improvements"); and

To expedite the expansion of the North Water System, the Improvements are proposed to be constructed in a design-bid-build arrangement through a reimbursement agreement with H. D. Arnaiz Corporation in accordance with the Public Facilities Fee Program guidelines; and

H. D. Arnaiz Corporation is requesting reimbursement of actual costs incurred for design, construction, construction management, and project management services for the installation of the improvements; and

Upon approval of the plans and specifications for the construction and installation of the Improvements by the Director of Municipal Utilities, the H. D. Arnaiz Corporation will solicit a minimum of three proposals from construction companies experienced with the construction of large water transmission mains and well construction; and

After a comprehensive review of the Proposals by Developer and consultation with the Director, the Developer shall select a construction company (the "Selected Contractor") to negotiate final costs and contractual terms and conditions; and

Once the Selected Contractor has been identified, the Director is authorized to direct the Developer to proceed with the construction and installation of the Improvements; and

The City adopted Resolution 2019-10-08-1104, entitled Public Facilities Fee Program Administrative Guidelines (Guidelines) and all amendments thereto to date specify when a developer is eligible for a credit or reimbursement of public facilities fees; and

The City has identified the preparation of plans and specifications, and the construction and installation of the Improvements as included in the Public Facilities Fee

Program, thus the cost of preparing plans and specifications, and the construction of the Improvements are eligible for reimbursement pursuant to the Guidelines; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. City Council hereby authorizes a reimbursement agreement with H. D. Arnaiz Corporation, Inc. in the estimated amount of \$15,817,379.38 for design, construction, construction management, and project management services for the Northeast Stockton Water Transmission Main.

2. The City Manager is hereby authorized and directed to execute the Northeast Stockton Water Transmission Main Reimbursement Agreement, attached hereto as Exhibit 1.

3. The City Manager or designee is hereby authorized to reappropriate \$7,299,000.00 from the capital project West, East and South Bear Creek Oversizing Reimbursements (UH21001) to the Cannery Park Water Transmission Reimbursement Project (UH24003).

4. The City Manager is authorized to take all necessary and appropriate steps to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED July 9, 2024.

KEVIN J. LINCOLN II
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
Interim City Clerk of the City of Stockton