



Agenda Report

May 9, 2016

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH MNR CONSTRUCTION, INC. TO PROVIDE LABOR AND MATERIALS FOR THE INSTALLATION OF DUCTILE IRON WATER MAINS IN FOREST AVENUE AND DEL MAR BOULEVARD FOR THE PASADENA WATER AND POWER DEPARTMENT, SPECIFICATION WD-16-02

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the project is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Sections 15301 (Existing Facilities) and 15302 (Replacement or Reconstruction); and
2. Accept the bid dated April 7, 2016, submitted by MNR Construction, Inc. in response to Specification WD-16-02 to provide labor and materials for the installation of ductile iron water mains in Forest Avenue from Lincoln Avenue to Del Monte Street and in Del Mar Boulevard from Lake Avenue to Michigan Avenue for the Pasadena Water and Power Department ("PWP"), and authorize the Interim City Manager to enter into a contract with MNR Construction, Inc., for an amount not to exceed \$1,470,557.

BACKGROUND:

PWP's Water System Master Plan ("Master Plan") was adopted in 2002 and provides guidelines for water main replacements. It is PWP's goal to replace three to five miles of water mains per fiscal year to provide continued reliable water service. City crews are able to replace approximately two miles of water main per year and PWP would like to retain a contractor to meet the goals of the Department for fiscal year 2017.

The Forest Avenue Water Main Project, as described in Specification WD-16-02, would replace 3,641 feet of occluded 8-inch cast iron pipes from 1916 with new 8-inch ductile iron pipes. The Del Mar Boulevard Project would replace 1,960 feet of occluded 6-inch cast iron pipes from 1926 with new 8-inch ductile iron pipes. The new water mains total 1.1 miles and will meet the required pressure, pipe velocity, and fire flow criteria as approved in the Master Plan.

The Notice Inviting Bids for Specification WD-16-02 was advertised in the Pasadena Journal, and also posted online through Planet Bids on March 10, 2016. PWP reached out to forty contractors, none of which were local since there are no known water construction contractors in Pasadena. Fifteen contractors attended the mandatory pre-bid meeting on March 22, 2016 and nine responsive bids were received and opened on April 8, 2016.

The results of the bids were as follows:

<u>Bidders</u>	<u>Total Bid</u>
1. MNR Construction, Inc., Baldwin Park	\$1,278,745
2. Toro Enterprises, Inc., Oxnard	\$1,361,335
3. Dominguez General Engineering, Inc., Pomona	\$1,440,780
4. GRFCO, Inc., Brea	\$1,475,000
5. Kana Pipeline, Inc., Placentia	\$1,475,800
6. TBU, Inc., Beaumont	\$1,567,589
7. Ramona, Inc., Arcadia	\$1,570,055
8. Colich & Sons L.P., Gardena	\$1,616,300
9. Vido Samarzich, Inc., Alta Loma	\$1,693,560
Engineer's Estimate	\$1,500,000

MNR Construction, Inc. was the lowest responsive and responsible bidder and complied in all respects with the requirements of the Specification. MNR Construction, Inc. possesses a valid and current California State Contractors License Classification "A" as required by the Specification.

The proposed contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder. The project was bid as a prevailing wage project and workers employed will be paid the general prevailing rate of per diem wages as determined by the California Director of Industrial Relations. The project will meet the requirements of prevailing wage law under California Labor Code Sections 1720 through 1861 and Title 8 of the California Code of Regulations.

Staff recommends that the City Council award a contract to MNR Construction, Inc. in the amount of \$1,470,557, which includes the base bid and a 15% contingency for any necessary change orders. The recommended contractor does not have any existing or past contracts with the City of Pasadena. Water Distribution staff in the Water Services Division will keep track of the contract spending.

COUNCIL POLICY CONSIDERATION:

The proposed contract supports PWP's Master Plan adopted by the City Council in 2002 to allow for the replacement of aging water distribution mains and establishment of reliable infrastructure for the City's water system.

ENVIRONMENTAL ANALYSIS:

The project is categorically exempt from CEQA review pursuant to State CEQA Guidelines Section 15301 (Class 1: Existing Facilities) and 15302 (Class 2: Replacement or Reconstruction). The Class 1 categorical exemption covers the repair, maintenance, or minor alteration of existing public or private structures, facilities, and mechanical equipment including existing publicly owned utilities, involving negligible or no expansion of use. The Class 2 exemption covers the replacement or reconstruction of existing structures and facilities (including utility systems) where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. The proposed contract would replace 1.1 miles of existing distribution mains for capital improvements as part of PWP's three to five mile annual replacement program. All of the contemplated maintenance activities and improvements constitute negligible or no expansion of capacity. There is no impact to other projects as a result of approval of this contract.

FISCAL IMPACT:

The cost of this action will be \$1,560,557 which includes the base bid, 15% contingency, plus \$90,000 in anticipated indirect and support costs such as contract administration and inspection. Funding for this action will be addressed by the utilization of existing appropriations in CIP #1001 – Distribution Mains and CIP #1019 – Fire Protection System Improvements. It is anticipated that \$1,560,557 of the cost will be spent in fiscal year 2017.

The following table presents the contract summary:

Grand Total Price	\$1,278,745
Contingency	\$ 191,812
Subtotal	\$1,470,557
Contract Admin/Inspection	\$ 90,000
Total Fiscal Impact	\$1,560,557

Respectfully submitted,



Shari M. Thomas
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