



# Agenda Report

October 15, 2018

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: CONTRACT AWARD TO SOUTHWEST PIPELINE & TRENCHLESS CORPORATION FOR 2019 SEWER RELINING AND POINT REPAIR PROJECT FOR AN AMOUNT NOT TO EXCEED \$1,940,000**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the project proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Article 19, Section 15301, Class 1, minor alterations of existing public facilities involving negligible or no expansion of use beyond that previously existing at the time of the lead agency's determination, and that there are no features that distinguish this project from others in the exempt class, and therefore, there are no unusual circumstances; and
2. a) Accept the bid dated October 5, 2018, submitted by Southwest Pipeline & Trenchless Corporation in response to the plans and specifications for the 2019 Sewer Relining and Point Repair Project, b) reject all other bids, and c) authorize the City Manager to enter into a contract for an amount not to exceed \$1,940,000.

## **BACKGROUND:**

The City of Pasadena's sewer system consists of over 1.7 million linear feet of pipes ranging from 6 to 42 inches in diameter, 60 percent of which are over 70 years old. Sewer relining is a trenchless technology that can extend the life of a pipe by up to 50 years by installing a liner which adheres to the host pipe and covers cracks, root intrusions, and other discontinuities. Relining an aged pipe enhances its capacity by retrofitting its structural integrity, eliminating groundwater infiltration, and providing a smoother surface for effluent to flow, thereby accommodating higher volume flows than the pipe's existing diminished condition.

This project consists of rehabilitating and increasing capacity in over 42,000 lineal feet (almost eight miles) of sanitary sewer pipes by relining existing 8-inch and 10-inch diameter vitrified clay pipes and reinforced concrete pipes, and replacement or point

repair of pipes at various locations throughout the City. The work includes cleaning of pipes; pre-lining and post-lining video inspections; installation of liners; point repairs of broken/cracked/offset pipes; removing and replacing damaged pipe sections; sealing service lateral connection points; and miscellaneous appurtenant work.

A similar project, 2017 Sewer Relining and Point Repair, was awarded on December 4, 2017, wherein the pipe liner would be cured with ultra-violet (UV) lighting, a new technology that has not been used at this scale in California. However, prior to the start of installation, the contractor alerted City staff that the UV-cured liner product was wrinkling during installation on other projects and there was no remedy for the defect. The City elected to terminate the contract and re-bid with the steam-cured lining product which the City has used on previous projects.

A finding of compliance with the General Plan was previously made and is shown on page 7.2 of the adopted FY 2019 Capital Improvement Program (CIP) budget.

The Department of Public Works prepared plans and specifications for the project and in accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received. The project was advertised in the *Pasadena Journal* on September 13, 2018. In addition, the Notice Inviting Bids was published in four trade publications and listed on the City's website, which generated notices to 17 local vendors. 35 contractors obtained bid packets, three of whom submitted bids for the project. One local contractor obtained a bid packets.

Following advertising, bids were received on October 5, 2018, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Southwest Pipeline & Trenchless Corporation, Torrance	\$1,763,604
2. Nu-Line Technologies, LLC, Encinitas	\$2,359,239
Insituform Technologies, LLC, Irvine	Non-Responsive
Engineer's Estimate	\$2,548,088

The low bid is 31 percent lower than the Engineer's Estimate.

It is recommended that Southwest Pipeline & Trenchless Corporation be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Southwest Pipeline & Trenchless Corporation fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract with Southwest Pipeline & Trenchless Corporation fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 15, 2014. The contractor has indicated that the award of this contract will result in no new hires to its present workforce.

Southwest Pipeline & Trenchless Corporation is not currently under contract for other work with the City of Pasadena. They completed the 2016 CMP Storm Drain Relining and Point Repairs Project in October 2016 for a total of \$278,016.

The contract for this project will be set up as follows:

Base Bid	\$ 1,763,604
Contingency Allowance	\$ 176,396
Contract "Not to Exceed" Amount	\$ 1,940,000

It is anticipated that work will begin in January 2019 and be completed in June 2019.

**COUNCIL POLICY CONSIDERATION:**

This project is consistent with the City Council's goal to improve, maintain and enhance public facilities and infrastructure. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

**ENVIRONMENTAL ANALYSIS:**

The City's Environmental Administrator recommends that the City Council determine the proposed project to be exempt under CEQA in accordance with Title 14, Chapter 3, Article 19, Section 15301, Class 1. This exemption includes the minor alteration of existing public facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination, and there are no features that distinguish this project from others in the exempt class, and therefore, there are no unusual circumstances.

**FISCAL IMPACT:**

The cost of this contract is \$1,940,000 and the total cost of this action will be \$2,040,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Sewer System Improvements Citywide FY 2017-2021 (budget account 76911) and Sewer System Improvements and Citywide Capacity Upgrades FY 2017-2019 (budget account 76909) CIP projects. It is anticipated that all of the cost will be spent in FY 2019.

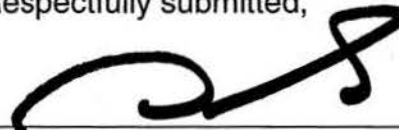
The following table presents a summary of the sources of funds that will be used.

Sewer System Improvements Citywide FY 2017-2021 (76911)	\$ 900,000
Sewer System Improvements and Citywide Capacity Upgrades FY 2017-2019 (76909)	\$ 1,140,000
<b>Total Sources</b>	<b>\$ 2,040,000</b>

The following table represents a contract summary.

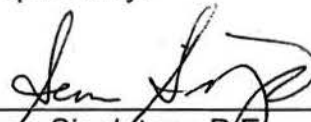
Base Bid	\$ 1,763,604
Contingency Allowance	\$ 176,396
Contract Administration/Inspection	\$ 100,000
<b>Total Fiscal Impact</b>	<b>\$ 2,040,000</b>

Respectfully submitted,



ARA MALOYAN, P.E.  
Director of Public Works

Prepared by:

  
Sean Singletary, P.E.  
Principal Engineer

Approved by:

  
STEVE MERMELL  
City Manager