



Agenda Report

September 23, 2019

TO: Honorable Mayor and City Council
FROM: Water and Power Department
**SUBJECT: CONTRACT AWARD TO WILLIAM PIPELINE CONTRACTORS, INC.
FOR WATER MAIN INSTALLATIONS**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the project is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Section 21080.21 and State CEQA Guidelines Sections 15301 (Existing Facilities) and 15302 (Replacement or Reconstruction); and
2. Accept the bid dated August 13, 2019 submitted by William Pipeline Contractors, Inc. in response to Specifications WD-19-08 for the installation of ductile iron water mains in Washington Boulevard; and
3. Reject all other bids received; and
4. Authorize the City Manager to enter into a contract not to exceed \$1,885,505, which includes the base contract amount of \$1,714,095 and a contingency of \$171,410 to provide for any necessary change orders.

BACKGROUND:

The Water and Power Department's ("PWP") 2002 Water System Master Plan ("Master Plan") establishes guidelines for replacement of water mains and reliable water service. City crews install pipelines for development and perform maintenance and repair work on pipelines. Additionally, they are able to replace some water mains per year and the City utilizes contractors for the balance. The objective of the program is to reduce service disruption, improve reliability, and ensure water quality within the distribution system.

The recommended contract executes the Washington Boulevard Water Main Project, which includes replacement of 4,683 feet (0.9 miles) of occluded 8-inch cast iron pipes originally installed in 1923 with 5,007 feet of new 12-inch ductile iron pipes, and reconnecting 69 water services to the new mains. The new water mains will meet the required pressure, pipe velocity, fire flow criteria and sustain water quality as approved

in the Master Plan. Work is expected to commence January 2020 and be completed by September 2020.

The Notice Inviting Bids for Specifications WD-19-08 was advertised in the Pasadena Journal and posted online through Planet Bids, which sent notifications about the project to Contractors, including local Contractors, on July 25, 2019. On July 30, 2019, 14 contractors attended the mandatory pre-bid meeting and seven responsive bids were received and opened on August 13, 2019.

The results of the bids were as follows:

<u>Bidders</u>	<u>Total Bid</u>
Williams Pipeline Contractors, Inc., Somis CA	\$1,714,095
Stephen Dorek Equipment Rentals, Inc., Pico Rivera CA	\$1,776,185
Dominguez General, Inc., Pomona CA	\$1,784,110
Cedro Construction, Inc., Santa Paula CA	\$1,788,670
Big Ben Engineering, Irvine CA	\$2,102,760
Teichert Energy & Utilities Group, Inc., Sacramento, CA	\$2,188,000
Ferreira Construction Co. Inc., Rancho Cucamonga, CA	\$2,253,861
Engineer's Estimate	\$1,500,000

Williams Pipeline Contractors, Inc. was the lowest responsive and responsible bidder and complied in all respects with the requirements of the Specifications. Although the lowest bid is higher than the engineer's estimate, PWP recommends moving forward with the contract because the bids indicate the overall price is consistent with the industry. Williams Pipeline Contractors, Inc. possesses a valid and current California State Contractors License Classification "A" as required.

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.

It is recommended that the City Council authorize the City Manager to enter into a contract with Williams Pipeline Contractors, Inc. in the amount of \$1,885,505, which includes the base bid of \$1,714,095 and a 10% contingency of \$171,410 for any necessary change orders. The vendor has no current or past contracts with the City. The Project Engineer in the Water Division will keep track of the contract spending and performance of work.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the City Council's Strategic Planning Goals to: (i) Improve, maintain, and enhance public facilities and infrastructure; and, (ii) Ensure public safety. It 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 to protect the public and minimize disruption of the City's water system.

ENVIRONMENTAL ANALYSIS:

The project is statutorily exempt from CEQA pursuant to Public Resources Code Section 21080.21, which states that CEQA "does not apply to any project of less than one mile in length within a public street or highway or any other public right-of-way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline." The project involves replacing 0.9 miles of existing distribution mains.

The project is also 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 0.9 miles of existing distribution mains for capital improvements as part of PWP's three 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. There are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The cost of this action will be \$1,985,505 which includes the base bid, 10% contingency, plus \$100,000 in anticipated internal 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 #01001 – Distribution Mains. It is anticipated that \$1,500,000 of the cost will be spent in fiscal year 2020 and \$485,505 of the cost will be spent in fiscal year 2021.

The following table presents the contract summary:

Bid Amount	\$1,714,095
Contingency	\$ 171,410
Subtotal	\$1,885,505
Contract Admin/Inspection (PWP)	\$ 100,000
Total Fiscal Impact FY 2020 / 2021	\$1,985,505

Respectfully submitted,



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