

Agenda Report

September 28, 2015

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH KIEWIT INFRASTRUCTURE WEST CO. TO PROVIDE LABOR AND MATERIALS FOR THE MURRAY RESERVOIR DEMOLITION AND MURRAY HYDRO-PNEUMATIC ZONE UPGRADES

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);
2. Accept the bid dated July 28, 2015 submitted by Kiewit Infrastructure West Co. ("Kiewit") in response to Specification WD-14-04 for providing labor and materials for the Murray Reservoir Demolition and Murray Hydro-Pneumatic Zone Upgrades for the Water and Power Department ("PWP"), reject all other bids, and authorize the City Manager to enter into a labor and materials contract with Kiewit for an amount not to exceed \$909,700.

BACKGROUND:

The Murray Booster Station pumps water from the Calaveras Pressure Zone to the Murray Hydro-pneumatic Zone and provides service to 31 customers. The booster station and the hydro-pneumatic tank were installed in 1949. A recent assessment of the booster station and hydro-pneumatic tank revealed that the equipment has exceeded its intended service life and should be replaced.

The 150,000 gallon Murray Reservoir is a partially buried reservoir that supplied water to the Murray Booster Station before it was decommissioned in 1999 and is currently disconnected from the water system. The reservoir will be demolished to provide more working space for construction, access and maintenance at the Murray Hydro-Pneumatic Zone facility. These improvements will assure the continued operation of the facility, and also improve water supply reliability and fire protection for City of Pasadena residents.

Specification WD-14-04 provides for upgrades to the Murray Hydro-pneumatic Zone, which will include demolition of the existing booster station building and the existing reservoir, replacement of the booster station building, booster pumps, hydro-pneumatic tank, electrical equipment, valves, and piping with new, code compliant, and efficient equipment that will enhance reliability to the system. The proposed work shall include construction of new booster station building, installation of three 10-horsepower pumps, a 3,600-gallon hydro-pneumatic tank, air compressor, electrical and controls equipment, buried and exposed piping, paving, grading, fencing, concrete, miscellaneous structures and appurtenances and placement and compaction of fill material within the void created by the reservoir demolition. Work is expected to commence by November 2015 and be completed by September 2016.

The Notice Inviting Bids for Specification WD-14-04 was published in the Pasadena Journal, and also posted online through Planet Bids on July 2, 2015. Twenty-three contractors attended the mandatory pre-bid meeting on July 14, 2015 and eight responsive bids were received and opened on July 28, 2015.

The results of the bids were as follows:

<u>Bidders</u>	<u>Grand Total Price</u>
1. Environmental Construction, Inc., Woodland Hills, CA	\$585,097
2. Kiewit Infrastructure West Co., Santa Fe Springs, CA	\$827,000
3. Pyramid Building & Engineering, Inc., Hesperia, CA	\$890,600
4. Fleming Environmental Inc., Fullerton, CA	\$946,249
5. United Engineering & Construction, Inc., Glendale, CA	\$982,175
6. Spiess Construction Co., Inc., Santa Maria, CA	\$1,076,325
7. CWS Systems Inc., Pasadena, CA	\$1,105,000
8. MMC Inc., La Palma, CA	\$1,151,451
Engineer's Estimate	\$1,100,000

Following the bid opening, Environmental Construction, Inc., the apparent low bidder, requested relief from its bid due to a clerical error. Staff has determined that Environmental Construction, Inc. should be allowed to withdraw their bid per Public Contract Code 5103.

Kiewit is the second lowest responsive and responsible bidder and complies in all respects with the requirements of the Specification. Staff recommends that the City Council award a contract to Kiewit for an amount not to exceed \$909,700. The award includes the bid price and a 10% contingency of \$82,700 to accommodate any necessary change orders. The recommended contractor does not have any prior or existing contracts with the City of Pasadena.

The proposed contract complies with the 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 City is thereby complying with Senate Bill 7 enacted October 13, 2013.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the City Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The project has been determined to be exempt from environmental review pursuant to the guidelines of the CEQA, Section 15301 (Existing Facilities) and Section 15302 (Replacement and Reconstruction). Section 15301 exempts actions (such as maintenance, repair, operation, etc.) relating to existing facilities or structures where there is negligible or no expansion of the use. Section 15302 exempts the replacement and/or reconstruction of existing facilities or structures including utility systems and/or facilities involving negligible or no expansion of capacity. The proposed work is necessary to maintain current operation of the facility and will not expand the capacity of the system.

FISCAL IMPACT:

The cost of this action will be \$909,700. Funding for this action will be addressed by the utilization of existing appropriations in the Water System Capital Improvement Program Budget Number 1037 – Reservoir Improvements. It is anticipated that 90% of the cost or about \$818,730 will be spent during the current fiscal year and the remaining cost will be spent in fiscal year 2017.


In addition, it is anticipated there will be \$105,000 in additional costs for contract administration and inspection as a result of this action. The total fiscal impact will be \$1,014,700.

The following table presents the fiscal impact summary:

Grand Total Price	\$827,000
Contingency	\$ 82,700
Total Contract Amount	\$909,700
Contract Administration	\$ 55,000
Inspection	\$ 50,000
Total Fiscal Impact	\$1,014,700

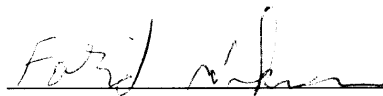
The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



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Water and Power Department

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Approved by:



MICHAEL J. BECK
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