

Agenda Report

March 11, 2019

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: CONTRACT WITH DOWNING CONSTRUCTION, INC. FOR FURNISHING LABOR AND MATERIALS FOR THE INSTALLATION OF DUCTILE IRON WATER MAINS IN ORANGE GROVE BOULEVARD

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 that there are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances; and
2. Accept the bid dated February 26, 2019 submitted by Downing Construction, Inc. in response to Specifications WD-18-12 for the Installation of Ductile Iron Water Main in Orange Grove Boulevard; and
3. Reject all other bids received; and
4. Authorize the City Manager to enter into a contract not to exceed \$4,464,816 which includes the base contract amount of \$4,058,924 and a contingency of \$405,892 to provide for any necessary change orders.

BACKGROUND:

Pasadena Water and Power ("PWP") owns and maintains more than 500 miles of distribution and transmission mains in its service boundaries. Generally, distribution mains deliver water to customers and are typically 16-inch diameter and smaller. Transmission mains primarily provide water between reservoirs which is then pumped to other parts of the system. Given the water flows on transmission mains they are typically larger than 16-inch in diameter. Unplanned disruptions to transmission mains can result in significant water losses, property damages and disruption to traffic and other utilities and services.

This transmission main distributes drinking water between the two largest City reservoirs – Sunset Reservoir on the West and Jones Reservoir on the east. Installation of a new 24-inch ductile iron pipe on Orange Grove is part of PWP’s capital improvement program. The new 24-inch ductile iron main will replace the functionality of an existing 36-inch diameter steel transmission main in Mountain Street installed in 1934 which was placed in service to bring water from Morris Reservoir to the Sunset Reservoir. Subsequently, Jones reservoir was built and a small transmission line can suffice for current and future needs. The existing 36-inch transmission main will be phased out of service when other infrastructure improvements are completed as part of PWP’s capital improvement program.

Ductile iron pipe is durable, reliable and resistant to corrosion, therefore the new 24-inch main along with the future improvements will provide a higher level of resiliency that could help mitigate damage during a seismic event. PWP’s goal is to ensure water delivery reliability with sound planning and prudent investment in infrastructure.

The City’s Public Works Department (“PWD”) is preparing to repave Orange Grove Boulevard in 2020 including other public improvements such as sidewalk and curb replacement. PWP and PWD are coordinating their efforts to better plan for the construction activities. PWP will complete the installation of the 24-inch water main prior to the start of work by PWD in order to minimize the disruption to the community.

The recommended contract provides for construction of approximately 12,140 feet or 2.3 miles of a 24-inch water main. Work is expected to commence May 2019 and be completed by February 2020. The work is funded within the 2019 CIP and recommended 2020 CIP budget.

The Notice Inviting Bids for Specifications WD-18-12 was advertised in the Pasadena Journal, and also posted online through Planet Bids, which sends notifications about the project to Contractors including local Contractors, on January 17, 2019. On January 24, 2019, 22 contractors attended the mandatory pre-bid meeting and 15 responsive bids were received and opened on February 26, 2019.

The results of the bids were as follows:

<u>Bidders</u>	<u>Total Bid</u>
1. Downing Construction, Inc.	\$4,058,924.00
2. G.J. Gentry General Engineering, Inc.	\$4,611,711.74
3. MNR Construction, Inc.	\$4,747,700.00
4. Big Ben Inc.	\$4,795,940.00
5. Vido Artukovich & Son, Inc./Vidmar, Inc. A JV	\$5,069,530.00
6. E.J. Meyer Company	\$5,222,222.00
7. Christensen Brothers General Engineering	\$5,227,752.00
8. Stephen Doreck Equipment Rentals, Inc.	\$5,396,844.00
9. Teichert Pipelines, Inc.	\$5,428,000.00
10. Colich & Sons, L.P.	\$5,527,138.00
11. GRFCO, Inc.	\$5,735,160.00
12. Blois Construction, Inc.	\$5,913,000.00

13. Valverde Construction, Inc.	\$6,200,000.00
14. Ramona Inc.	\$6,205,416.00
15. Trautwein Const Inc.	\$7,206,600.00

Engineer's Estimate \$5,200,000.00

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

Staff recommends that the City Council award a contract to Downing Construction Inc. in the amount of \$4,464,816 which includes the base bid of \$4,058,924 and a 10% contingency of \$405,892 for any necessary change orders. The recommended contractor does not have any current or past contracts with PWP. Water Distribution engineering staff in the Water Services Division will keep track of the contract spending.

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.

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 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 2.3 miles of a distribution main for capital improvements as part of PWP's mainline 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:

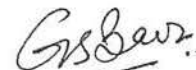
The cost of this action will be \$4,659,816 which includes the base bid, 10% contingency, and \$195,000 in anticipated indirect and support costs such as contract administration and inspection. Funding for this action will be addressed by the utilization of existing appropriations in Water Capital Fund CIP #01001 – Distribution Mains. It is anticipated that \$100,000.00 of the cost will be spent in fiscal year 2019 and \$4,559,816.00 of the cost will be spent in fiscal year 2020.

The following table presents the contract summary:

Grand Total Price	\$4,058,924
Contingency	\$ 405,892
Subtotal	\$4,464,892
Contract Admin/Inspection	\$ 195,000
Internal Services Allocation Estimate	\$ 98,000
Total Fiscal Impact FY 2019 / 2020	\$4,757,892

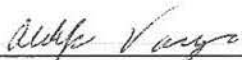
The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



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STEVE MERMELL
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