

# Agenda Report

October 26, 2020

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT:** **CONTRACT AWARD TO SOUTHWEST PIPELINE & TRENCHLESS CORPORATION FOR FISCAL YEAR 2021 ANNUAL SEWER SYSTEM IMPROVEMENTS AND CAPACITY UPGRADES PROJECT FOR AN AMOUNT NOT TO EXCEED \$1,000,000**

## **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 8, 2020, submitted by Southwest Pipeline & Trenchless Corporation in response to the plans and specifications for the Fiscal Year 2021 Annual Sewer System Improvements and Capacity Upgrades Project, b) reject all other bids, and c) authorize the City Manager to enter into a contract for an amount not to exceed \$1,000,000, which includes the base contract amount of \$823,450 and a contingency of \$176,550 to provide for any necessary change orders.

## **BACKGROUND:**

The City of Pasadena's sewer system consists of over 1.7 million linear feet of pipe 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 25,000 lineal feet (over four 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 or offset pipes; removing and replacing damaged pipe sections; sealing service lateral connection points; and miscellaneous appurtenant work.

A finding of compliance with the General Plan was previously made and is shown on page 6.1 of the adopted FY 2021 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. On September 24, 2020, a Notice Inviting Bids for Fiscal Year 2021 Annual Sewer System Improvements and Capacity Upgrades Project was published in the local paper as well as posted on PlanetBids. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 36 vendors downloaded the Specifications of which none were local. A total of four bids were received by the bid opening date, none from local firms.

As part of City's local outreach effort, seven Pasadena based companies were notified by staff and encouraged to download all information from Planet Bids related to this project and submit a bid proposal. These local contractors were unable to bid on this scope of work at this time.

Following advertising, bids were received on October 8, 2020, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Southwest Pipeline & Trenchless Corporation, Torrance	\$ 823,450
2. NuLine Technologies, LLC, Encinitas	\$ 838,900
3. Insituform Technologies, LLC, Chesterfield, MO	\$ 922,020
4. Sancon Technologies, Inc., Huntington Beach	\$ 992,550
Engineer's Estimate	\$1,000,000

The low bid is 21 percent lower than the Engineer's Estimate. Due to the contiguous area of work and the large quantity of pipe to be lined, greater than anticipated savings were realized.

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. A Local Hiring Provision to notify the labor unions of the goal to employ qualified Pasadena residents for 75 percent of the new labor work hours on the project was included in the project specifications.

Southwest Pipeline & Trenchless Corporation has previously performed work for the City of Pasadena, recently completing the 2019 Sewer Relining and Point Repair and 2020 Sewer Relining and Point Repair projects, for a total of \$3,190,000.

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

Base Bid	\$ 823,450
Contingency Allowance	\$ 176,550
Contract "Not to Exceed" Amount	\$ 1,000,000

The contract contingency, typically 10 percent, has been increased to 21 percent due to favorable bid prices in order to line an additional 5,000 linear feet of sewer pipe under this contract. It is anticipated that work will begin in December 2020 and be completed in June 2021.

**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.

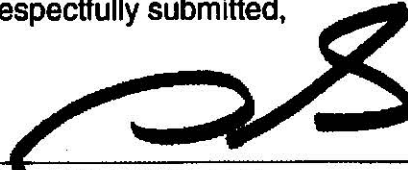
**FISCAL IMPACT:**

The cost of this contract is \$1,000,000 and the total cost of this action will be \$1,075,000. Funding for this action will be addressed by the utilization of the budgeted appropriations in the Annual Sewer System Improvements and Capacity Upgrades FY 2021 (76916) CIP project. It is anticipated that all of the cost will be spent in FY 2021.

The following table represents a contract summary.

Base Bid	\$ 823,450
Contingency Allowance	\$ 176,550
Contract Administration/Inspection	\$ 75,000
<b>Total Fiscal Impact</b>	<b>\$ 1,075,000</b>

Respectfully submitted,



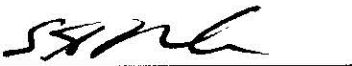
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