

Agenda Report

July 21, 2025

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: **AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH SOUTHWEST PIPELINE AND TRENCHLESS CORP FOR THE ANNUAL SEWER RELINING AND POINT REPAIRS FY 2026 PROJECT FOR AN AMOUNT NOT-TO-EXCEED \$2,906,000**

RECOMMENDATION:

It is recommended that the City Council:

1. Find the contract proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Title 14, Chapter 3, Article 19, Class 1, §15301, Existing Facilities, 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. Authorize the City Manager to enter into a contract, as the result of the competitive bid process as stated by section 4.08.045 of the Pasadena Municipal Code with Southwest Pipeline and Trenchless Corp in response to the plans and specifications for the Annual Sewer Relining and Point Repairs FY 2026 project and authorize the City Manager to enter into a contract for an amount not-to-exceed \$2,906,000 which includes the base contract amount of \$2,767,375 and a contingency of \$138,625 to provide for unforeseen change orders.

BACKGROUND:

The City of Pasadena's sewer system consists of 328 miles of sewer main pipes, ranging from 4 to 42 inches in diameter, with 80 percent of the system being more than 80 years old. As these pipes age, they become increasingly susceptible to structural failure, root intrusion, groundwater infiltration, and capacity limitations, prompting the need for rehabilitation to maintain reliable service and regulatory compliance. To extend the useful life of its sewer system, the City proposes to implement a trenchless technology known as sewer relining through the installation of a cured-in-place pipe liner. This process restores structural integrity and improves performance by providing a smoother surface for enhanced flows and reduces risk of sanitary sewer overflows.

The project consists of 35,000 linear feet of cleaning, televising, and relining of existing sanitary sewer pipes at prioritized locations city-wide. This contract also includes, but is not limited to, a condition assessment and rehabilitation of sewer manholes; repair and replacement of damaged pipe sections; trimming of protruding laterals and other obstructions; and installation of service lateral connection seals known as “top hats”.

The Department of Public Works prepared project plans and specifications for the subject contract. Bids were requested and received in accordance with Section 4.08.070 of the Pasadena Municipal Code. On May 19, 2025, a Notice Inviting Bids for the Annual Sewer Relining and Point Repairs FY 2026 Project was published in 22 trade journals, as well as posted on OpenGov Procurement. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 48 vendors downloaded the specifications, none were local. A total of two bids were received by the bid opening date.

Following advertising, bids were electronically received on June 17, 2025, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Southwest Pipeline and Trenchless Corp, Torrance, CA	\$ 2,767,375
2. Insituform Technologies, LLC, Chesterfield, MO	\$ 3,385,875

Engineer's Estimate	\$ 2,800,000
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The lowest and best bid received is approximately one percent lower than the Engineer's Estimate.

It is recommended that Southwest Pipeline and Trenchless Corp be awarded the contract for this project as they are the lowest and best bidder. The proposed contract with Southwest Pipeline and Trenchless Corp fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014. The contractor has indicated that the awarding of this contract will result in one new hire to the present work force. In accordance with Local Preference provisions of the contract, the contractor is encouraged to recruit Pasadena residents initially and to give them preference, if all other factors are equal, for any new positions generated from this contract.

Southwest Pipeline and Trenchless Corp has previously performed work for the City and have completed five projects with the City since 2016 for a total amount of \$5,769,475.67. Staff has confirmed the contractor's license, and their Department of Industrial Relations status is in good standing. The contractor has also received favorable reference checks from other agencies.

The contract will be set up as follows:

Base Bid	\$ 2,767,375
Contingency	\$ 138,625
Contract Not-to-Exceed Amount	\$ 2,906,000

A contingency of five percent is allocated to this contract given possible unforeseen conditions that may be encountered in performance of the contracted work. It is anticipated that construction will begin in September 2025 and be completed by June 2026.

COUNCIL POLICY CONSIDERATION:

This contract is consistent with the City Council's goal to improve, maintain, and enhance public facilities and infrastructure, and improve public safety throughout the City and the Public Facilities Element Objective 5 of the General Plan by continuing to implement capital improvements which will maintain or rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The contract award has been determined to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Article 19, Class 1, §15301, Existing Facilities). Class 1 exempts from environmental review "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use." 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 including contingency is \$2,906,000 and the total cost of this action will be \$3,273,500. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *Annual Sewer System Improvements and Capacity Upgrades – FY 2022-2026* (76918) CIP project. It is anticipated all costs will be expended in FY 2026. There is no impact to the General Fund.

The following table represents a project summary.

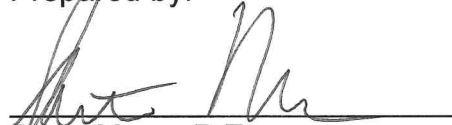
Base Bid	\$ 2,767,375
Contingency	\$ 138,625
Construction Administration, Materials Testing, and Inspection	\$ 367,500
Total Fiscal Impact	\$ 3,273,500

Respectfully submitted,



GREG DE VINCK, P.E.
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