Legislation Text

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Staff Report for a City of San Leandro City Council Resolution to Award an $807,055 Construction Contract to Insituform Technologies, LLC. for the Water Pollution Control Plant 36" Secondary Effluent Line Rehabilitation Project, Project No. 2018.6000; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 10% (or $80,705) of the Original Contract Amount; to Authorize the City Manager to Negotiate and Approve Change Orders up to a Cumulative Value not to Exceed 34% (or $274,399) of the Original Contract Amount; and to Appropriate $784,454 from the Water Pollution Control Plant Enterprise Funds' fund balance

SUMMARY AND RECOMMENDATIONS

The project will rehabilitate an existing 36" diameter secondary effluent (SE) pipeline located between the SE wet well at Secondary Clarifier No. 1 and the Effluent Pump Station at the City's Water Pollution Control Plant (WPCP).

Staff recommends the following actions:

- Award a construction contract in the amount of $807,055.00 to Insituform Technologies, LLC;
- Authorize the City Manager to negotiate and approve individual change orders up to 10% (or $80,705) of the original contract amount;
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value of 34% (or $274,399) of the original contract amount; and
- Appropriate $784,454 from the WPCP Enterprise Funds' fund balance

BACKGROUND

The SE pipeline between the effluent box at the Secondary Clarifier No. 1 and the effluent box in front of the Effluent Pump Station consists of Concrete Cylinder Pipe (CCP) material, which was installed in the 1980s. This CCP pipe sprung a leak at a joint in front of the new Fixed Film Reactor Lift Station during the shoring removal process, as part of the WPCP Rehabilitation Construction Project. During a field investigation to install a repair coupling on the leaking joint, it was discovered that the joint design of the existing pipeline did not provide the type of overlap between the bell and spigot that modern pipes offer, which makes the existing pipe vulnerable to leaks even with slight joint movement. The pipe can be rehabilitated with a cured-in-place liner that will ensure leaks are eliminated, reduce the risk of sanitary sewer spill, and extend the life expectancy of the existing pipe.

Analysis

Bids were opened on December 7, 2021. Three bids were received ranging between $807,055 and $1,205,000. The pre-bid engineer's estimate for construction was $605,000. Staff recommends to award to the lowest responsive bidder, Insituform Technologies, LLC. Staff verified the contractor has a valid Contractor's State License Board license and is registered with the California Department of Industrial Relations.

The project is not subject to the Community Workforce Agreement requirements because the engineer's estimate was less than $1 million.

None of the bidders have an office in San Leandro that would qualify them as a local business per the Local Inclusion Policy Ordinance. Also, none of the bidders met the Local Business Participation Goal of 25% by subcontracting with San Leandro businesses for 25% of the contract value. Documentation of good faith efforts to contract locally were submitted and deemed acceptable.

The second lowest bidder submitted a bid protest, claiming that the low bidder was non responsive because the low bidder omitted an acknowledgement of Addendum No. 4 in its proposal. Staff determined that the omission of the acknowledgement of Addendum No. 4 did not give the low bidder an advantage or benefit against other bids because Addendum No. 4 simply contained logistical information to make the bid opening available for public access via an online webcast. Therefore, the bid protest was rejected.

As is standard in the construction industry, staff balanced site investigation costs with the risk of finding unforeseen conditions during construction as well as the design costs with the level of detail on the plans. As a result, unforeseen conditions may be encountered during construction and plan details may need to be adjusted or clarified. In order to minimize delays to the project and ensure that the scope of work is adjusted as needed to provide the highest quality project for the City, staff requests authorization to negotiate and approve change orders up to 10% ($80,705) of the original contract amount and cumulative change orders up to 34% ($274,3994) of the original contract amount. This will help to ensure efficient completion of the project on budget and on schedule.

Current Agency Policies

- Maintain and enhance San Leandro's infrastructure

Previous Actions

- On April 20, 2020, by Resolution No. 2020-035, the City Council approved a Consulting Service Agreement (CSA) with Lee and Ro for the design of the Secondary Effluent Line Replacement and Davis Street Manhole (MH) Replacement project.

Applicable General Plan Policies

- Policy CSF 6.4: Wastewater Collection and Treatment. Maintain efficient, environmentally sound, and cost-effective wastewater collection and treatment services in San Leandro

Environmental Review

This project is categorically exempt from the California Environmental Quality Act (CEQA) per Section 15301 Class 1(b) of the CEQA guidelines. The Notice of Exemption was filed with the Alameda County Recorder on March 23, 2021.

Summary of Public Outreach Efforts

The Notice to Bidders was published in the Daily Review, the South County Post, Visión Hispana and World Journal SF. Staff also notified twenty-three builders' exchanges and construction data firms as well as a list of contractors that asked to be notified of bidding opportunities via email. The project is described on the Engineering and Transportation Department website.

Two pre-bid/site visit meetings were held on November 2, 2021, November 3, 2021, and a site visit only was held November 16, 2021. The intent of these meetings was to inform bidders of the project details and give the bidders to access the facility.

Fiscal Impacts

The total project cost is estimated as follows:

Design and Bid:	$253,000
Construction Contract:	$807,055
Contingencies:	$274,399
Construction Management and Inspection:	$80,000
Project Total	**$1,414,454**

Budget Authority

The work will be funded by the following appropriations:

Account No.	Source	Fiscal Yr.	Amount
593-52-267	WPCP Enterprise Funds	FY18-19	$630,000
Total Existing Appropriation:			**$630,000**

Additional appropriation requested by this action:

Source	Account No.	Amount
WPCP Enterprise Funds	593-52-267	$784,454
Total Additional Appropriation Requested:		**$784,454**

Total Appropriation: **$1,414,454**

ATTACHMENT TO STAFF REPORT

- Bid Summary - Water Pollution Control Plant (WPCP) 36" Secondary Effluent Line Rehabilitation Project, Project No. 2018.6000

PREPARED BY: Austine Osakwe, Senior Engineer, Engineering and Transportation Department