### AGENDA

# ENGINEERING COMMITTEE MEETING LEUCADIA WASTEWATER DISTRICT Monday, April 8, 2024 – 1:00 p.m. 1960 La Costa Avenue, Carlsbad, CA 92009

- 1. Call to Order
- 2. Roll Call
- 3. Public Comment
- 4. New Business
  - A. Authorize the General Manager to execute Task Order No. 7 to the Engineering Design Services Agreement with Water Works Engineers (Water Works) for engineering design services for the Batiquitos Pump Station Emergency Basin Lining Project in an amount not to exceed \$81,509. (Pages 2 - 11)
  - B. Authorize the General Manager to execute an Agreement with SCW Contracting Corporation for construction services to complete the Rancho Verde Pump Station Rehabilitation Project in an amount not to exceed \$1,434,600. (Page 12 - 19)
- 5. Information Items
- 6. Directors' Comments
- 7. General Manager's Comments
- 8. Adjournment

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#### MEMORANDUM

**DATE:** April 4, 2024

TO: Engineering Committee

FROM: Paul J. Bushee, General Manager

SUBJECT: Batiquitos Pump Station Emergency Basin Lining Project – Final Design Services

## **RECOMMENDATION:**

Staff requests that the Engineering Committee recommend that the Board of Directors:

- Authorize the General Manager to execute Task Order No. 7 to the Engineering Design Services Agreement with Water Works Engineers for final design services for the Batiquitos Pump Station Emergency Basin Lining Project in an amount not to exceed \$81,509.
- 2. Discuss and take other action as appropriate.

# BACKGROUND:

Tactical Goal: Infrastructure & Technology / Batiquitos P. S. Emergency Basin Lining Project

The Batiquitos Pump Station (Batiquitos PS) emergency basin is a critical piece of infrastructure that serves as temporary wastewater storage for excess flows during a pump station emergency or during high wet weather flow situations. The concrete structure was constructed in 1986 and has the capacity to hold nearly 190k gallons of wastewater.

In October 2022, V&A Consulting Engineers (V&A) performed a condition assessment on the Batiquitos PS emergency basin as a result of visual deterioration of the concrete surfaces and existing lining. As a recommendation to the initial inspection, V&A returned to the site in December 2022 to collect concrete cores from within the structure to help quantify the condition of the concrete and coating in the structure. Overall, the condition assessment revealed the lining had mostly failed and the concrete was significantly degraded. As a result, V&A recommended concrete restoration and a coating within the next two years before more expansive damage to the steel reinforcement occurs and escalates the scope and cost of repairs.

In addition, staff discovered cracks in the nearby Batiquitos PS dry well located at the masonry wall and beam below the air well in July 2023. In August 2023, the District and SMR, a structural engineering firm, followed up with a site investigation and identified the cracks as a potential failure source. As a result, SMR recommended the cracks be repaired before any further corrosion takes place on the exposed rebar and estimated the repair cost to be approximately \$150k.

Since the dry well repair includes similar concrete restoration work as the BPS emergency basin, staff decided to combine the repairs into one project to benefit from a larger project with economy of scale.

### DISCUSSION:

To commence the design, staff requested a proposal from the District's as-needed design firm Water Works Engineers (Water Works). Staff has reviewed the proposal and believes it meets the objectives of the project. The proposal had been attached for your review and includes all design related services through project bidding.

Water Work's proposed fee for design services is \$81,509 which includes services to support Project design, such as structural engineering design services. The preliminary construction cost estimate for this project is \$1.10M, therefore, the proposed design fee represents a soft cost loading of 7.4% of construction. This fee is well within industry standards and, based on the complexity of the project, staff believes it is fair and reasonable.

### FISCAL IMPACT:

Staff appropriated \$88K in the FY24 Capital Budget for the Batiquitos Pump Station Emergency Basin Lining Project design. Therefore, the budget contains sufficient funds to complete the final design services to be provided under this task order amendment. Staff plans to request additional funding for this project as part of the Fiscal Year 2025 Budget process to complete all project work.

ier:PJB

Attachment

1



Mr. Ian Riffel Leucadia Wastewater District 1960 La Costa Avenue Carlsbad, CA 92009

April 2<sup>nd</sup>, 2024

RE: Engineering Services Proposal for Batiquitos LS Emergency Overflow Structure Rehabilitation

Dear Mr. Riffel,

Water Works Engineers (Water Works) is pleased to submit to Leucadia Wastewater District (District) a proposal for design services for the Batiquitos Lift Station Emergency Overflow Structure Rehabilitation Project.

In 2022, Water Works Engineers and V&A Consulting Engineers conducted a condition assessment of the existing large emergency overflow structure abutting the wetwell. Results indicated:

- Significant corrosion was observed on all surfaces except the floor. A 2" on average of deleterious and degraded concrete that has undergone H<sub>2</sub>S acid attack will need to be removed to reach sound concrete, with some areas likely requiring deeper repairs past the initial reinforcement mat.
- Concrete partial depth repairs and a coating should be performed in the next 2 years before more expansive damage to the steel reinforcement occurs and escalates the scope and cost of repairs significantly.

In addition, in August 2023 a DWEI/SMR field investigation of a cracked concrete surface inside the dry well (pump room) identified a need for an immediate repair.

The design services described herein are intended to produce a final design of the rehabilitation project for the emergency overflow structure, and the dry well (pump room)

The attached Scope of Services describes the specific tasks and deliverables that Water Works will perform for this Project. Please contact me at (619) 833-6955 should you have any questions or need further information.

Sincerely,

Tim Lewis, PE

In Lein's

Project Manager

7777 Alvarado Rd, Suite 300 La Mesa, CA 91942 619-833-6955 (Direct Office) 619-919-3880 (Cell) timl@wwengineers.com / www.wwengineers.com

WATER WORKS ENGINEERS & LEUCADIA WASTEWATER DISTRICT BATIQUITOS LIFT STATION EMERGENCY OVERFLOW REHABILITATION

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# Scope of Engineering Services

Water Works Engineers, LLC. and Leucadia Wastewater District

# Batiquitos Lift Station Emergency Overflow Structure Rehabilitation Project

This Scope of Engineering Services is issued by Leucadia Wastewater District (herein referred to as CLIENT or District) and accepted by Water Works Engineers LLC (herein referred to as ENGINEER) pursuant to the mutual promises, covenants, and conditions contained in the most current As Needed Engineering Design Services Agreement between Leucadia Wastewater District and Water Works Engineers LLC.

# **Project Description**

| Location                  | County Hwy S21, Encinitas, CA 92024   |  |  |  |
|---------------------------|---|--|--|--|
| Facilities                | Batiquitos Lift Station   |  |  |  |
| Project<br>Objectives     | The Project objective is to design improvements for construction that likely include:   |  |  |  |
|                           | <ul> <li>Partial depth repair (2" on average) of deleterious and degraded concrete that has undergone H<sub>2</sub>S acid attack will need to be removed to reach sound concrete, with some areas likely requiring deeper repairs past the initial reinforcement mat.</li> <li>New large hatch for access for repair and also access for future submersible pumps for the bypassing of the station.</li> <li>Protect in place existing 2x flap gates and sluice gate</li> <li>Stow and restore existing instrumentation and sump pump railing, supports, pumps, and appurtenances.</li> </ul> |  |  |  |
| Existing<br>Documentation | <ol> <li>Attachment 2: 2022 V&amp;A Batiquitos Lift Station Emergency Storage<br/>Structure Condition Assessment Report</li> <li>Attachment 3: Site Photos</li> <li>Attachment 4: DWEI/SMR report on dry well cracking from August<br/>2023</li> </ol>  |  |  |  |
|                           | 4. Other data requested by ENGINEER identified in Scope of Services   |  |  |  |

WATER WORKS ENGINEERS & LEUCADIA WASTEWATER DISTRICT BATIQUITOS LIFT STATION EMERGENCY OVERFLOW REHABILITATION



| C            |   |  |  |  |  |
|--------------|---|--|--|--|--|
| Project      | In 2022, Water Works Engineers and V&A Consulting Engineers conducted   |  |  |  |  |
| Background,  | a second as a second and a skicking large entry eveniow structure   |  |  |  |  |
| Description, | abutting the wetwell. Results indicated:  |  |  |  |  |
| and Objectiv | <ul> <li>Significant corrosion was observed on all surfaces except the floor. A<br/>2" on average of deleterious and degraded concrete that has<br/>undergone H<sub>2</sub>S acid attack will need to be removed to reach sound<br/>concrete, with some areas likely requiring deeper repairs past the<br/>initial reinforcement mat.</li> </ul>                          |  |  |  |  |
|              | <ul> <li>Concrete partial depth repairs and a coating should be performed in</li> </ul>   |  |  |  |  |
|              | the next 2 years before more expansive damage to the steel  |  |  |  |  |
|              | reinforcement occurs and escalates the scope and cost of repairs significantly.   |  |  |  |  |
|              | In March of 2023, Water Works also produced a draft email-based   |  |  |  |  |
|              | discussion on likely recommended lining alternatives and technologies and   |  |  |  |  |
|              | the likely recommendation for a 100% solids epoxy coating system in lieu of<br>more expensive plastic lining systems. Assuming epoxy coatings, the<br>rehabilitation project is likely in excess of \$1M for the emergency overflow<br>structure in 2024 dollars. This was substantiated by conceptual budgetary<br>cost proposals produced by a specialty subcontractor. |  |  |  |  |
|              | In 2023, DWEI and SMR conducted a site investigation and identified some cracks in the masonry wall and a crack in the beam below the air well. This crack was identified as a potential failure source long term and must be repaired before any more corrosion takes place on exposed rebar. The report identified that the likely repair cost may be up to \$150K.     |  |  |  |  |
|              | Therefore, the total budgetary cost estimate for the proposed work, prior to the preliminary engineering and final design being completed is approximately \$1,100,000 (including 30% Contingency).   |  |  |  |  |



|               | MATEDWODK                                 | Title:       |   | Batiquitos PS Eme<br>Storage Basin Con | 0 ,         |  |
|---------------|---|--------------|---|--|-------------|--|
| (C) WAIERWORK |   | Computed By: |   | TL.                                    |             |  |
|               | ENGINEERS                                 | Date:        |   | 3/12/2024                              |             |  |
|               | Preliminary Design Opinion of             | f Probabl    | e Con                                   | struction Cost (O                      | PCC)        |  |
|               | Item                                      | Quantity     | 1.11.11.11.11.11.11.11.11.11.11.11.11.1 | Unit Cost                              | Total Cost  |  |
| Ge            | eneral                                    | 心题演          | There are                               |  | The second  |  |
| 1             | Mobilization                              | 1            | LS                                      | \$46,800                               | \$47,000    |  |
| 2             | Demolition                                | 1            | LS                                      | \$287,391                              | \$288,000   |  |
| 3             | Partial Depth Repair (2" Average)         | 1            | LS                                      | \$158,298                              | \$159,000   |  |
| 4             | Coating                                   | 6280         | SF                                      | \$55                                   | \$343,000   |  |
| 5             | Replace 24" Sluice Gate REMOVED           | 4            | LS                                      | <del>\$46,800</del>                    | \$47,000    |  |
| 6             | New Large Access Hatch                    | 1            | LS                                      | \$78,000                               | \$78,000    |  |
| 7             | Confined Space Equipment                  | 1            | LS                                      | \$3,120                                | \$4,000     |  |
| 8             | Scaffolding                               | 1            | LS                                      | \$7,800                                | \$8,000     |  |
| 9             | Specialty Tools & Materials               | 1            | LS                                      | \$20,861                               | \$21,000    |  |
| 10            | Dry Well Beam Repair                      | 1            | LS                                      | \$150,000                              | \$150,000   |  |
| Op            | inion of Probable Construction Cost* (    | 2023 Dolla   | rs)                                     |  | \$1,100,000 |  |
| *R            | ounded up to nearest \$10,000, includes 3 | 0% Conting   | ency                                    |  |             |  |

Scope of Services

ENGINEER shall provide engineering design services for to meet the Project objectives. Services will be split into the following tasks.

| Subtasks | Title                                 |  |
|----------|---------------------------------------|--|
| 1        | Project Management and Administration |  |
| 2        | Preliminary Engineering               |  |
| 3        | Final Design                          |  |

# Subtask 1: Project Management and Administration

Under this subtask, ENGINEER shall monitor and track the project budget and schedule to ensure that all deadlines are met and that the project budget is not exceeded. ENGINEER will coordinate with the project team to address items such as project schedule, project budget, and current issues of concern. ENGINEER shall also monitor progress and coordinate the activities being performed by all sub-consultants associated with the project and submit monthly progress reports to the CLIENT. The following will be performed under this subtask:

- 1) Project Kickoff Meeting (to be conducted on Virtual MS Teams Meeting)
  - a) ENGINEER introductions to CLIENT staff
  - b) Familiarize ENGINEER with all project facilities
  - c) Gather operational data
  - d) Agree on Project Objectives
  - e) Agree on Project Components
- 2) Project Communication and Control
  - a) Coordination of all project team activities



- b) Communication of project progress and issues to CLIENT staff
- c) Project schedule maintenance and control of project tasks to keep project schedule on track
- d) Cost tracking of all engineering activities and active cost control of fees.
- 3) Quality Assurance/Quality Control
  - a) Plan and implement Quality Assurance/ Quality Control Policy with the entire project team
  - b) Ensure QA/QC procedures are being followed at each step in the design process

| Meetings     | Project Kickoff Meeting (in-person)  |  |
|--------------|--|--|
| Deliverables | <ul><li>Kickoff Meeting Notes (via email)</li><li>Status Reports (via email)</li></ul> |  |

# Subtask 2: Final Design

Under this subtask ENGINEER shall produce plans, technical specifications, and cost estimates (PS&E) for the final alternative improvements listed in the project objectives per the following tasks.

|  | Major Deliverable |     |      |                          |
|--|-------------------|-----|------|--------------------------|
| Sheet List   | 50%               | 75% | 100% | Bid<br>Docs <sup>1</sup> |
| Title Sheet  | Х                 | Х   | Х    | Х                        |
| General Notes  |                   | Х   | Х    | Х                        |
| General Designations                                       |                   | Х   | Х    | Х                        |
| Civil Legend   | Х                 | X   | Х    | Х                        |
| Mechanical Legend  |                   | Х   | Х    | Х                        |
| Structural Notes   |                   | Х   | Х    | Х                        |
| Structural Notes 2   |                   | Х   | Х    | Х                        |
| Architectural Notes  |                   | Х   | Х    | Х                        |
| Demo   | Х                 | Х   | Х    | Х                        |
| Civil Site   | Х                 | Х   | Х    | Х                        |
| Civil Details 1  |                   | Х   | Х    | Х                        |
| Civil Details 2  |                   | Х   | Х    | Х                        |
| Structural Mechanical Plan                                 | Х                 | Х   | Х    | Х                        |
| Structural Mechanical Section 1                            | Х                 | Х   | Х    | Х                        |
| Structural Mechanical Section 2                            |                   | Х   | Х    | Х                        |
| Electrical & Instrumentation<br>Minor Modification Details |                   | Х   | Х    | Х                        |
| Standard Details   |                   | Х   | Х    | Х                        |

<sup>1</sup>Changes between 100% and Bid Docs should be minor and limited to clarifications to existing notes, standard details, DIV-1 specifications, and front ends.

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• Water Works requests that the District procure all available asbuilts, record drawings, and CAD files from previous consultants for Water Works use.

| Meetings     | <ul> <li>50% Design Review Meeting (in-person or teleconference)</li> <li>75% Design Review Meeting (in-person or teleconference)</li> <li>100% Design Review Meeting (in-person or teleconference)</li> </ul> |
|--------------|--|
| Deliverables | <ul> <li>50% PS&amp;E (Elec.; pdf)</li> <li>75% PS&amp;E (Elec.; pdf)</li> <li>100% PS&amp;E (Elec.; pdf)</li> <li>Bid Documents PS&amp;E (Elec.; pdf)</li> </ul>  |

# ASSUMPTIONS

The following assumptions have been made in the development of this Scope of Services. Additional Task Orders would be required in order to perform any of the work which is not listed in this scope or has been specifically identified as out of scope in the assumptions below:

- CLIENT review periods of submittals: 10-working days
- Water Works hereby assumes that by issuing this task order, the District is directing Water Works Engineers to rely upon the condition assessment notes and repair recommendations presented in Attachment 4: DWEI/SMR Dry Well Cracking (August 2023) as the basis of design for the development of repair design procedures in Water Works construction contract documents for the dry well.
- Not in Scope:
  - Front Ends & Division "00" Documents (Bidding Requirements, Contract Forms, and Conditions of the Contract)
  - Printed hard copies of deliverables
  - o Hydraulic calculations or hydraulic modeling
  - o Geotechnical Design and/or Field Services
  - Environmental Engineering Services and/or Studies (CEQA)
  - o Survey Services
  - Traffic Control Plans
  - o Water Quality analysis and/or Testing
  - o Potholing
  - o Permitting
  - o Funding Procurement Assistance and/or Investigation
  - o Public Outreach
  - o Utility Investigation and Utility "A" Letters
  - o Bidding Support
  - Engineering Services During Construction
  - Environmental Engineering Services and/or Studies (CEQA)
    - Proposed construction/rehabilitation would strictly involve work within existing developed hardscapes of the pump station facility, and no ground



disturbing activities or other project related work would impact native vegetation/habitats,

- It is assumed the project could be implemented without adversely effecting biological resources and qualify for an NOE.
- Based on the proposed work adjacent to habitat for nesting birds (including federally and state listed rare birds) the primary bio issue would be impacts to nesting by project-generated noise.
- To address and avoid/resolve this issue, it is recommended to include a statement of timing for project implementation in the project description. Something like "Project activities would occur over an approximately XX-month period and are anticipated to begin as early as XXX and end in XXX. This construction timing is arranged specifically to avoid the bird, including raptors, nesting season (i.e., between January 15 to September 15), particularly sensitive bird/raptor species potentially nesting adjacent to the project. Implementation of this project commitment would ensure that potential impacts to nesting birds and raptors would not occur.".
- Approach assumes and will state that flexible PVC and other plastic lining technologies are likely fatal flawed for this application or is too costly for the District. Approach assumes and will likely recommend 100% solids epoxy coating alternative.

# Optional improvements to accommodate future bypass and rehabilitation of overall lift station will be covered in future task orders.

- Penetrations for future bypass piping
- Replace, replace, or remove existing overflow valves and slide gate
- Replace existing instrumentation and sump pump railing, supports, and appurtenances.
- Provide infrastructure for future bypass operation (locations for pumps, railing, supports, and appurtenances, etc.)

| Description Estimated Date |                                |   |
|----------------------------|--------------------------------|---|
| Notice to Proceed          | April 19 <sup>th</sup>         | 1 |
| Field kickoff meeting      | Week of April 29 <sup>th</sup> |   |
| 50% Design                 | June 21st, 2024                |   |
| 75% Design                 | July 19th, 2024                |   |
| 100% Design                | August 16th, 2024              |   |
| Bid Documents              | September 6th, 2024            |   |

# SCHEDULE

<sup>1</sup>Dates provided herein are preliminary and assume a 5-day District review period. Durations for delivery of design submissions is counted from the date where final written review comments are received. Work is assumed to occur in CY2024.

## PAYMENT

WATER WORKS ENGINEERS & LEUCADIA WASTEWATER DISTRICT BATIQUITOS LIFT STATION EMERGENCY OVERFLOW REHABILITATION



Payment will be on a Time and Expense, Not-to-Exceed basis and invoiced in accordance with the Hourly Wage Rates in the following table, per the most current As Needed Engineering Services Agreement. Payment will be on a Time and Expense, Not-to-Exceed basis and invoiced in accordance with the Hourly Wage Rates in the following table, per the most current As Needed Engineering Services Agreement.

| <b>Billing Categori</b> | es                                    |          |          |          |
|-------------------------|---------------------------------------|----------|----------|----------|
| Classification          | Title                                 | . 2023   | 2024     | 2025     |
| AA1                     | Administrative Assistant              | \$81.37  | \$83.81  | \$86.33  |
| AA2                     | Senior Administrative Assistant       | \$114.33 | \$117.76 | \$121.29 |
| E0                      | Engineering Assistant                 | \$114.33 | \$117.76 | \$121.29 |
| E1                      | Staff Engineer                        | \$143.17 | \$147.47 | \$151.89 |
| E2                      | Associate Engineer                    | \$175.10 | \$180.35 | \$185.76 |
| E3                      | Project Engineer                      | \$196.73 | \$202.63 | \$208.71 |
| E4                      | Senior PE / Project Manager           | \$227.63 | \$234.46 | \$241.49 |
| E5                      | Principal Engineer                    | \$263.68 | \$271.59 | \$279.74 |
| 11                      | Field Inspector                       | \$153.47 | \$158.07 | \$162.82 |
| 12                      | Senior Inspector                      | \$172.01 | \$177.17 | \$182.49 |
| 13                      | Supervising Inspector                 | \$190.55 | \$196.27 | \$202.15 |
| T1                      | CADD Tech 1 (Drafter/Jr. Technician)  | \$96.82  | \$99.72  | \$102.72 |
| T2                      | CADD Tech 2 (Designer/Sr. Technician) | \$129.78 | \$133.67 | \$137.68 |
| T3                      | CADD Tech 3 (Senior Designer)         | \$157.59 | \$162.32 | \$167.19 |

# Hourly Rates and Fees

Notes:

1. A markup of 10% will be applied to all project related Direct Costs and Expenses

2. An additional premium of 25% will be added to the above rates for Expert Witness and Testimony Services.

3. Rate effective through December 31st of each respective year, a 3% increase will be added for any services performed in each year thereafter, pursuant to the Master Engineering Services Agreement

Total Budget for each subtask will be as follows and is detailed in Attachment 1.

| Subtask | Title                               | Budget   |
|---------|-------------------------------------|----------|
| 1       | Project Management & Administration | \$2,685  |
| 2       | Final Design                        | \$78,824 |
|         | Project Total Budget                | \$81,509 |

# ATTACHMENTS

Attached to this Scope for reference are the following:

| 1 | Fee Basis Spreadsheet                            |
|---|--|
| 2 | 2022 V&A Condition Assessment Report             |
| 3 | Photos   |
| 4 | DWEI/SMR August 2023 Dry Well Beam Cracking Memo |

WATER WORKS ENGINEERS & LEUCADIA WASTEWATER DISTRICT BATIQUITOS LIFT STATION EMERGENCY OVERFLOW REHABILITATION PAGE | 8 APRIL 2, 2024

# MEMORANDUM

Ref: 24-8742

| DATE: | April 4, 2024                   | $\cap$ | ()   |
|-------|---------------------------------|--------|------|
| TO:   | Engineering Committee           |        |      |
| FROM: | Paul J. Bushee, General Manager | e      | 4.Sr |

SUBJECT: Construction Contract Award for the District's Rancho Verde Pump Station Rehabilitation Project

## **RECOMMENDATION:**

Staff requests that the Engineering Committee recommend that the Board of Directors:

- 1. Authorize the General Manager to execute an Agreement with SCW Contracting Corporation for the construction of the Rancho Verde Pump Station Rehabilitation Project in an amount not to exceed \$1,434,600 as the lowest responsive and responsible bidder.
- 2. Discuss and take other action as appropriate.

# BACKGROUND:

# Tactical Goal: Infrastructure & Technology / Rancho Verde Pump Station Rehabilitation

In March 2020, Infrastructure Engineering Corporation (IEC) completed the Leucadia Wastewater District's (District) 2019 Pump Station Condition Assessment. IEC was the District's previous as needed design engineer. IEC's assessment recommended that the Rancho Verde Pump Station be rehabilitated to include improvements to the mechanical, electrical, and general-site components of the facility in Fiscal Year 2023.

In September 2022, Water Works Engineers (Water Works) was issued a task order to conduct the Preliminary Design Report (PDR) for the Rancho Verde Pump Station Rehabilitation Project (Project) in order to establish the scope and parameters of the project. In December 2022, Water Works completed the PDR which identified improvements to existing vaults, wet well, site drainage, electrical panels and pump station controls.

In February 2023, the Board authorized the final design services for the Project. Due to the limited space at the pump station, the final design was contingent on the District obtaining an extension to the current easement from The Ranch HOA (HOA) in order to install half-sized electrical panels to maintain site aesthetics. The District worked with the HOA and the easement extension was recorded on November 17, 2023.

## DISCUSSION:

Water Works completed project design in January 2024. The project was advertised for bids on February 5, 2024. Bids were due on March 21, 2024. Two (2) bids were received as follows:

| Construction Firm-            | Bid Price   |  |
|-------------------------------|-------------|--|
| SCW Contracting Corporation   | \$1,434,600 |  |
| Pacific Hydrotech Corporation | \$1,710,100 |  |

SCW's bid of \$1,434,600 is about \$327K, or 29%, more than the engineer's opinion of probable cost of \$1.108M.

Due to the high cost and limited competition, staff inquired why only two bids were received. Therefore, staff reached out to (2) construction firms, Cora Constructors (Cora) and GSE Construction (GSE), that were on the plan holders list but did not submit a bid. The District discovered Cora did not submit a bid because they did not meet the project experience requirements and GSE because of current project commitments and that the project was not large enough to justify hiring additional staff to manage.

Additionally, staff reviewed the plans and evaluated whether the project could be modified or redesigned and rebid to reduce construction costs. Staff and Water Works determined that a redesign would not significantly reduce cost and still meet the project objectives.

Staff and Water Works attribute the high bids to the construction industry experiencing a high demand, labor shortages and labor rate increases, and the prequalification requirements which reduced the pool of bidders to highly experienced contractors. Overall, the current bidding environment is very expensive at this time.

The bids were reviewed by Tim Lewis at Water Works. As a result of their evaluation, Water Works determined SCW Contracting Corporation (SCW) to be responsive to the bid requirements and recommended that SCW be awarded the contract as the lowest responsive and responsible bidder. The Water Works bid review memorandum is attached for your review.

Therefore, staff concurs with Water Work's recommendation and requests that the Board of Directors award the contract to SCW Contracting Corporation as the lowest responsive and responsible bidder in an amount not to exceed \$1,434,600.

### FISCAL IMPACT:

The FY24 Capital Budget included \$816K for project construction. Staff will request an additional appropriation as part of the FY25 Capital Budget to cover the total cost of the project.

ier:PJB

Attachment



# Leucadia Wastewater District Rancho Verde Pump Station Rehabilitation Project Bid Review Memorandum



Date: March 23, 2024 Prepared by: Tim Lewis, PE (Design Engineer)

# Purpose

The purpose of this memorandum is to summarize Water Works Engineer's (Design Engineer) evaluation of the bid results and the responsiveness of the apparent low bidder to bidding and contract documents for the Leucadia Wastewater District (District) Rancho Verde Pump Station Rehabilitation Project.

# **Bid Results**

Two (2) Bids were received and opened on March 21<sup>st</sup>, 2024. The Bids are summarized below, along with the Engineer's Opinion of Probable Construction Cost (OPCC). See the last section of this memorandum for discussion on the difference between the Engineer's OPCC and the Low Bid.

| Apparent Low Bid: (SCW Contracting Corporation)          | \$1,434,600 |
|--|-------------|
| Second Low Bid: (Pacific Hydrotech)                      | \$1,710,100 |
| Engineer's Opinion of Probable Construction Cost (OPCC): | \$1,108,000 |

# **Review of Apparent Low Bidder**

Water Works Engineer's reviewed the bidding documents submitted by the Low Apparent Bidder to determine if the Bidder is the lowest responsive responsible bidder.

# Contractor's License (Responsive)

The Contractor holds the required Class A License (No. 630435) which is current and active. The Contractor also holds C51 (Steel, Structural) and C60 (Welding) licenses. Worker's Compensation is Active. The Contractor is bonded. The Bidder is responsive.



#### Business Information

SCW CONTRACTING CORPORATION 2525 NORTH OLD HIGHWAY 395 FALLBROOK, CA 92028 Business Phone Number:(760) 728-1308

> Entity Corporation Issue Date 10/09/1991 Expire Date 10/31/2025

> > License Status

Classifications

This license is current and active.

All information below should be reviewed.

▶ A - GENERAL ENGINEERING

- C60 WELDING
- C51 STEEL, STRUCTURAL

Bonding Information Contractor's Bond This license filed a Contractor's Bond with TRAVELERS CASUALTY AND SURETY COMPANY. Bond Number: 206857601 Bond Amount: \$25,000 Effective Date: 01/01/2023 Contractor's Bond History Bond of Qualifying Individual The qualifying individual JEFFREY DEAN SCRAPE certified that he/she owns 10 percent or more of the voting stock/membership interest of this company; therefore, the Bond of Qualifying Individual is not required. Effective Date: 10/09/1991 Workers' Compensation This license has workers compensation insurance with the HARTFORD CASUALTY INSURANCE COMPANY Policy Number: 53WEOH9H11 Effective Date: 10/01/2022 Expire Date: 10/01/2024 Workers' Compensation History

Other

Personnel listed on this license (current or disassociated) are listed on other licenses.

https://www.cslb.ca.gov/onlineservices/checklicensell/checklicense.aspx



### Bid Bond (Responsive)

A bid bond in the amount of ten percent (10%) of the bid amount was submitted with Liberty Mutual Insurance Company as surety, as required. The Bidder is responsive.

### Signatures (Responsive)

SCW Contracting Corporation Vice President Andrew Scrape signed the Closing Statement, Bidder's Bond, Non-Collusion Affidavit, and Local Preference Certification. Other company partners were listed. Liberty Mutual Insurance Company surety was signed by Sandra Figueroa, Attorney-in-Fact, and Vice President Andrew Scrape. Both individuals were acknowledged and validated via a notary public. The Bidder is responsive.

### Addenda Acknowledgment (Responsive)

Addenda 1 and 2 are signed and acknowledged by Vice President Andrew Scrape. The Bidder is responsive.

### Registration with the Department of Industrial Relations (Responsive)

The prime and subcontractors are required to be registered with the DIR prior to bidding a public works project. The Bidder is responsive.

| <b>Contractor Legal name</b> | Type of Work | Registration # | <b>Registration Date</b> | <b>Expiration Date</b> |
|------------------------------|--------------|----------------|--------------------------|------------------------|
| PRIME: SCW Contracting       | Prime        | 1000001579     | 7/1/2023                 | 6/30/2025              |
| Corp.                        | ·            |                |                          |                        |
| SUB: Hydrotech Electric      | Electrical   | 1000001266     | 7/1/2022                 | 6/30/2024              |
| SUB: New Dimension           | Masonry      | 1000001513     | 7/1/2022                 | 6/30/2025              |
| Masonry                      |              |                |                          |                        |
| SUB: MC Painting F           | Painting and | 1000026859     | 7/1/2023                 | 6/30/2024              |
|                              | Coating      |                |                          | 4                      |
| SUB: Amber Steel Co          | Reinforcing  | 100000630      | 7/1/2022                 | 6/30/2024              |
|                              | Steel        |                |                          |                        |

https://www.dir.ca.gov/public-works/Contractors.html

### Experience Requirements (Responsive)

Water Works reviewed the Bidder's self-reported qualifications/experience responses as required by the bidding documents, takes no exception, and considers the Bidder to be responsive.

- 1. Prime and Subs willful violations in last 5 years: No.
- 2. Listed compensation experience modification factors: Listed.
- 3. Injury prevention program adoption: Yes.
- 4. Bidder debtor in bankruptcy case: No.
- 5. Bankruptcy in last 5 years: No.
- 6. Liquidated damages in the last 5 years: No.
- 7. Bidder disqualification in last 5 years: No.
- 8. Claim against Bidde in last 5 years: No.
- 9. Claim against Owner in last 5 years: No.
- 10. Surety payments in last 5 years: No.
- 11. DIR registration for prime and subs: Yes.



- 12. The bidder was required to construct three (3x) government agency owned raw wastewater pump stations or a new government owned raw wastewater pump station (lift station) with a minimum capacity of 7.5 HP pumps within the past 5 years: Yes.
- 13. The bidder was required to have three (3x) projects where they successfully bypassed 100% of wastewater flows with no incidents or spills within the past 5 years: Yes.

## Experience References (Responsive)

Water Works Engineers contacted all the qualification experience references on 3/22/24 listed on the contract forms and takes no exception to any of the responses received and considers the Bidder responsive.

# Megan Trott (909-993-1696) - Inland Empire Utilities Agency

Projects:

- 1. NRW Flowmeter Replacement Project
- 2. RP-1 Flow Equalization & Effluent Monitoring

Comments:

1. NO ANSWER LEFT 2x VOICEMAIL

Mayra Cabrera (951-674-3146 ext 8349) – Elsinore Valley Municipal Water District

Projects:

1. Nichols Ranch Lift Station

Comments from Reference:

- 1. SCW is a preferred contractor for lift station, booster station, and reservoirs projects.
- 2. SCW did a great job and she did not have to worry or over watch the contractor movements.
- 3. SCW is very honest with paperwork, they bring things up in advance that are super helpful or could be a concern to the Engineer.
- 4. Recommended.

Kevin Lee (909-725-5047) – City of Beaumont

Projects:

1. Beaumont Mesa Lift Station Pump Replacement

Comments from Reference:

1. NO ANSWER LEFT 2x VOICEMAILS

Emad Zaya (858-573-5033) – City of San Diego

## Projects:

1. SPS 23T Reliability Improvements

Comments from Reference

- 1. No concerns
- 2. Mentioned that the contractor was familiar with City specs
- 3. Overall, he recommends them.



In addition – Leucadia Wastewater District utilized SCW Contracting for the Village Park 5 (VP5) pump station replacement project in 2017 (7 years ago), and the District's experience with the Contractor was positive and the District cannot recall any undue concerns with the company.

## Approach to Work (Responsive)

In general, the Bidders Work Approach is relatively short and does not have many details, but Water Works Engineers takes no exception to it and considers it reasonable. One item of note is that the Bidder intends to deliver materials to the Bidder's offsite warehouse which may not be readily accessible to District representatives. This is not uncommon for smaller construction projects where there is reduced space for onsite staging and storage (particularly for high value items that may be vandalized or stolen). If the Bidder requests payment for those materials during construction, the District reserves the right to not make payment for stored materials it cannot verify, in accordance with the contract documents.

### Safety and Injury Prevention Plan (Responsive)

The Bidder indicated that it has adopted an injury prevention program. The Bidder is responsive.

## Project Manager Information (Omitted)

Both the Low Bidder and High Bidder did not submit Project Manager experience as by IFB-9, but it is Water Works opinion that this is an unintentional omission and is not a disqualifying factor. It is recommended that the District request project manager supplementary information from the Bidder as required by IFB-9. A similar occurrence occurred for the November 2020 Encinitas Estates Pump Station Project bid. The likely justification for this is that the project manager experience is not listed on the on the bidder experience data forms and the Bidders were either unaware or were confused and believed it was supplemental information to be submitted after the bid. For future projects, it is recommended that the District reexamine whether the bid forms should include a project manager experience section.

# **Review of Low Bid versus Engineer OPCC**

The Low Bid is 29% higher than the Engineer's OPCC (estimate). It is Water Works opinion that this can be primarily attributed to the following reasons.

- The current bidding environment is poor due to high volume and demand for construction projects along with skilled laborer shortages that has been made worse due to high inflation. Consequently, fewer bids are received, and the low bid is typically less competitive. The RVPS Rehabilitation Project is relatively small in size, and when combined with the District's rigorous qualification and experience and local-preference requirements, the pool of potential bidders interested in the project has appeared to have been significantly reduced. Only two bids were received but three other potential bidders expressed interest in the project, and two responded that they could not meet the experience requirements, it is our understanding that the District had sometimes up to six bidders.
- The market environment is also considered poor due to high labor rates, recent inflationary effects, and material and equipment shortages and pricing volatility from post-pandemic supply shocks.



In addition, Water Works examined the bid items for both bids and provided additional clarifications or opinions on differences with the Engineer OPCC. Water Works Engineers takes no exception to the bid cost breakdown. The Bidder did not appear to have any significant pricing deviation that may indicate the Bidder is front-loading or has manipulated the magnitude of a particular bid item in such a way that is not industry standard or indicates the Bidder did not understand the scope of work delineated in the bid item.

See Appendix A for the bid summary and comparison.

## **Final Opinion**

Water Works takes no exception to and considers SCW Contracting Corporation to be the lowest responsive and responsible bidder, as required by the Bidding and Contract Documents. The submitted Low Bid appears to be reasonable, considering the current bidding and market environment.

As with all construction projects, it is possible that the District may be able to identify value engineering opportunities with Contractor once the project is awarded to realize any potential cost savings. Typically this would mean reducing the scale of secondary or optional improvements, or relaxing specification requirements, however the specifics of these value engineering opportunities are outside the scope of this memorandum and are not assured.

## Attachments

Attachment A: Bid Summary