

AGENDA

**ENGINEERING COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT
Thursday, February 8, 2018 – 8:30 a.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 an Agreement with Nu Line Technologies, LLC for construction services to complete the 2018 Gravity Pipeline Cured-in-Place Pipe Lining Rehabilitation Project in an amount not to exceed \$667,998. (Pages 2 - 7)
5. **Information Items**
 - A. Emergency Repair of the Secondary Effluent Force Main. (Verbal)
 - B. Update of the Gafner AWT Improvements Project. (Verbal)
 - C. Display of Outfitted Confined Space Entry Equipment Trailer. (Verbal)
6. **Directors' Comments**
7. **General Manager's Comments**
8. **Adjournment**

MEMORANDUM

Ref: 18-6098

DATE: February 1, 2018
 TO: Engineering Committee
 FROM: Paul J. Bushee, General Manager 
 SUBJECT: Award of the District's 2018 Gravity Pipeline Cured-in-Place Pipe Lining Rehabilitation Project Construction Contract

RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with Nu Line Technologies, LLC for construction services to complete the 2018 Gravity Pipeline Cured-in-Place Pipe Lining Rehabilitation Project in an amount not to exceed \$667,998.
2. Discuss and take other action as appropriate.

BACKGROUND:

Tactical Goal: Infrastructure and Technology / FY2018 Gravity Pipeline Rehabilitation

In July 2017 the District solicited bids for the 2017 Gravity Pipeline Rehabilitation and La Costa Gravity Sewer Alteration Project. The project included both cured-in-place pipe (CIPP) lining, manhole rehabilitation and open trench construction to alter the alignment of a section of the La Costa Gravity Line. In response to the bid solicitation, the District received one bid from Nu Line Technologies, LLC (Nu Line). Nu Line's bid of \$888,000 was very high considering Infrastructure Engineering Corporation's (IEC) project cost estimate of \$667,000. As a result of the single high bid received, the bid was rejected.

Based on this experience, staff decided to separate the CIPP work from the open trench work and rebid the project. Additionally, the CIPP lining rehabilitation that was designated to be accomplished in Fiscal Year (FY) 2018 was combined with the segments from the 2017 project to form a bigger project, the 2018 Gravity Pipeline Cured-In-Place Pipe (CIPP) Lining Rehabilitation Project, with the intent to attract greater interest for a more competitive bid.

DISCUSSION:

The 2018 Gravity Pipeline CIPP Lining Rehabilitation Project (2018 CIPP Project) is included as a goal under the Technology and Infrastructure Strategy in the FY18 Tactics & Action Plan.

In September 2017 the Board of Directors authorized the execution of an agreement with IEC to design the 2018 CIPP Project. The goal of this project is to repair or replace any Rated 3 gravity pipeline and manhole on the District's Repair Priority List, populated and maintained by Field Services Staff, at the time of project design. Additionally, previously designed manhole rehabilitations and pipeline segments designated for CIPP lining from the 2017 project were folded into the project.

The 2018 CIPP Project consists of lining twenty-eight (28) gravity pipeline sections {9 sections from 2017} and nineteen (19) manholes {7 manholes from 2017}, and the installation of one (1) new manhole to replace a broken main line cleanout identified during staff's Closed-Circuit Television (CCTV) inspections.

IEC completed project design in December 2017. The project was advertised for bids on December 18th. Bids were due on January 24, 2018. Two bids were received as follows:

<u>Construction Firm</u>	<u>Bid Submitted</u>
Nu Line Technologies, LLC	\$667,998
Insituform Technologies, LLC	\$775,965

The bids were reviewed by Jamie Fagnant and Marie Fawcett at IEC. The bid review memorandum is attached for your review. Nu Line submitted the apparent low bid. Nu Line's individual bid item amounts roughly correlated with those of the engineer's opinion of probable cost and the other bidder. However, one issue was noted during the review:

- Bid Item 1, Mobilization, was listed as \$36,000, or 5.4% of the total bid. Contract documents limit the mobilization cost to 5% of the total project cost to prevent front loading of project payments.

As the proposed mobilization cost is not considered overly excessive compared to the overall project cost, IEC recommends the District consider this a minor irregularity in the bid and waive this discrepancy. Staff agrees with this assessment and recommendation.

As a result of their evaluation, IEC has determined Nu Line to be responsive to the bid requirements and recommends the District award the project to Nu Line. Nu Line's bid of \$667,998 is approximately \$84,002 or 11% less than the engineer's opinion of probable cost of \$752,000.

Therefore, staff recommends that the Board of Directors waive the minor bid irregularity and award the contract to Nu Line as the lowest responsive and responsible bidder in an amount not to exceed \$667,998.

FISCAL IMPACT:

There is sufficient appropriation in the FY18 Budget to cover the construction costs of the project.

ier:PJB

Attachment



BID REVIEW MEMORANDUM

Date: January 29, 2018

Subject: **2018 Cured-in-Place Lining Rehabilitation Project**

Prepared By: Marie Fawcett

Reviewed By: Jamie Fagnant, P.E.

PURPOSE

This memorandum provides a summary of our evaluation of bid results and the responsiveness of the submitted bids for the subject project.

BID RESULTS

Two bids were received and opened on January 24, 2018. The bids are summarized on Table 1 - Bid Summary (see attached) and characteristics of the bids are as follows:

Low Bid:	\$667,998
High Bid:	\$775,965
Engineer's Opinion of Probable Cost:	\$752,000

Review of bid amounts and individual bid items is discussed further below.

REVIEW OF LOW BIDDER

Nu Line Technologies LLC. (Nu Line or Contractor), submitted the apparent low bid. IEC has determined Nu Line to be responsive to the bid requirements and recommends that the District award the project to Nu Line. The following reviews have been completed.

Contractor's License: The Contractor holds the required Class A License (No. 997520). The license is current and active.

Bid Bond: A bid bond in the amount of ten percent (10%) of the bid amount was submitted with North American Specialty Insurance Company as surety. North American Specialty Insurance Company has a Best's Key Rating of A+, XV.

Signatures: Dominic Burtech, one of the Contractor's Partners, signed the Closing Statement, Bidder's Bond, Non-Collusion Affidavit, California All-Purpose Acknowledgement, and Local Preference Certification.

Project Manager's Experience: The Contractor has identified Frank Durazo as the project manager. IEC has reviewed his resume and found his experience suitable to manage the 2018 Cured-in-Place Lining Rehabilitation Project.

Worker's Compensation Insurance: Policy WC551308300 is in affect through 10/01/2018.

Experience Requirements: The bid documents require the Contractor to submit:



(a) three project references where the Contractor installed at least 1000 linear feet of 8 inch or greater PVC gravity pipe in each project, (b) three project references where the Contractor installed at least 300 linear feet of cured-in-place-pipe (CIPP) lining into an 8 inch or greater diameter pipe in each project, and (c) three project references where the Contractor installed a total of 30 cured-in-place manhole liners (CIPML) into sewer manholes. Nu Line's submitted experience records show more than adequate experience installing cured-in-place (CIPP) lining. Although they did not report experience installing cured-in-place manhole linings (CIPML) or the required length of PVC pipe, the subcontractors they listed to perform that portion of the work, Ayala and Burtech, respectively, hold the required experience and are well known to the District and IEC due to work on previous District projects.

References: IEC contacted Nu Line's listed references to perform an assessment of the Contractor's prior work. In all cases, Nu Line was recommended as a good contractor with no record of claims.

Registration with the Department of Industrial Relations (DIR):

Contractors and their subcontractors are required to be registered with the DIR prior to bidding a public works project. The table below demonstrates that Nu Line and each of its subcontractors have met this requirement.

Contractor Legal Name	Registration Number	Registration Date	Expiration Date
Nu Line Technologies, LLC	1000003808	05/03/2017	06/30/2018
Burtech Pipeline, Inc.	1000006324	05/17/2017	06/30/2018
Ayala Engineering	1000005012	06/30/2017	06/30/2018

Source: <https://efiling.dir.ca.gov/PWCR/Search>

List of Subcontractors:

Contractor	License #	Location of Business	Portion of Work
Burtech Pipeline, Inc.	718202	Encinitas, CA	New PVC, Replace CO with New Manhole, Replace Broken Lateral
Ayala Engineering	959385	Anaheim, CA	CIPML, Epoxy Lining, New Frame & Cover

Bid Item/Cost Review:

Nu Line's bid was approximately 11% below the engineer's opinion of probable cost. Although the bid cost is lower than the engineer's opinion of probable construction cost, it is our opinion that the bid costs reflect the current market conditions and reasonably stringent installation guidelines and do not constitute grounds to reject the received bids.



Nu Line's cost for Bid Item 1, Mobilization, was listed as \$36,000, or 5.4% of the total bid. Contract documents limit the mobilization cost to 5% of the total project cost. IEC does not consider the proposed mobilization cost to be excessive, and recommends the District waive this requirement.

Claims Filed: Nu Line has not filed claims or had claims filed against them in the last five (5) years.

Addenda: Nu Line acknowledged receiving Addenda 1 & 2.

At this time, IEC has no concern regarding Nu Line's ability to complete the work for the cost given.

RECOMMENDATION

IEC recommends award of the contract to Nu Line Technologies, LLC. based on their knowledge and experience record and responsiveness to the bidding requirements.

Attachments
Table 1 – Bid Summary

**LEUCADIA WASTEWATER DISTRICT
2018 CURED-IN-PLACE LINING PROJECT**

Bid Summary

JANUARY 2018

Bid Item	Quantity	Unit	Article	Engineer's Estimate	Nu Line	Insituform
1	1	LS	Mobilization, Bonds, Permits, Cleanup and Demobilization	\$35,600	\$36,000	\$8,535
2	1	LS	Sheeting, Shoring and Bracing	\$5,000	\$9,292	\$4,380
3	1	LS	Sag Repair and Cured-in-Place Pipe Lining	\$65,860	\$68,842	\$79,143
4	1	LS	Cured-in-Place Pipe Lining	\$18,732	\$10,815	\$8,318
5	1	LS	Cured-in-Place Pipe Lining	\$13,165	\$7,985	\$12,155
6	1	LS	Cured-in-Place Pipe Lining	\$16,180	\$10,742	\$10,460
7	1	LS	Cured-in-Place Pipe Lining	\$20,030	\$13,400	\$12,248
8	1	LS	New Manhole Frame and Cover, Epoxy Liner	\$10,500	\$8,996	\$9,693
9	1	LS	Cured-in-Place Manhole Lining	\$12,950	\$10,382	\$18,570
10	1	LS	Cured-in-Place Pipe Lining	\$54,575	\$36,475	\$29,730
11	1	LS	Cured-in-Place Pipe Lining	\$20,745	\$13,570	\$13,827
12	1	LS	Cured-in-Place Pipe Lining	\$7,930	\$5,800	\$11,845
13	1	LS	Cured-in-Place Pipe Lining	\$27,060	\$23,350	\$23,295
14	1	LS	Cured-in-Place Pipe Lining	\$27,785	\$18,410	\$14,066
15	1	LS	Cured-in-Place Pipe Lining	\$33,715	\$23,175	\$20,007
16	1	LS	Cured-in-Place Manhole Lining	\$13,450	\$10,382	\$18,570
17	1	LS	Cured-in-Place Manhole Lining	\$13,450	\$10,382	\$18,570
18	1	LS	Cured-in-Place Manhole Lining	\$13,450	\$10,382	\$18,570
19	1	LS	Epoxy line MH	\$7,000	\$4,588	\$4,943
20	1	LS	Cured-in-Place Manhole Lining	\$12,450	\$10,382	\$18,570
21	1	LS	Cured-in-Place Manhole Lining	\$12,450	\$10,382	\$18,570
22	1	LS	Cured-in-Place Manhole Lining	\$12,450	\$10,382	\$18,570
23	1	LS	Epoxy Line Manhole	\$7,000	\$4,588	\$4,943
24	1	LS	Cured-in-Place Manhole Lining	\$12,950	\$10,382	\$18,570
25	1	LS	Cured-in-Place Manhole Lining	\$12,950	\$10,382	\$18,570
26	1	LS	Cured-in-Place Pipe Lining	\$46,105	\$33,390	\$21,686
27	1	LS	Cured-in-Place Manhole Lining	\$12,450	\$10,382	\$18,570
28	1	LS	Cured-in-Place Pipe Lining	\$17,555	\$11,380	\$8,656
29	1	LS	Cured-in-Place Pipe Lining	\$25,860	\$17,100	\$11,188
30	1	LS	Cured-in-Place Pipe Lining	\$16,455	\$10,625	\$8,608
31	1	LS	Cured-in-Place Manhole Lining	\$50,900	\$41,115	\$74,279
32	1	LS	Cured-in-Place Pipe Lining	\$15,012	\$8,550	\$14,995
33	1	LS	Cured-in-Place Pipe Lining and New Manhole	\$20,720	\$42,925	\$47,164
34	1	LS	Cured-in-Place Pipe Lining	\$14,200	\$9,400	\$7,923
35	1	LS	Cured-in-Place Pipe Lining	\$19,960	\$25,129	\$30,324
36	1	LS	Cured-in-Place Manhole Lining	\$25,000	\$20,763	\$40,268
37	1	LS	Cured-in-Place Pipe Lining	Addendum	\$12,928	\$11,469
38	1	LS	Replace Broken Lateral Connection	Addendum	\$34,845	\$46,117
				\$751,644	\$667,998	\$775,965
TOTAL				\$752,000	\$667,998	\$775,965
				(amt written in words)		(amt written in words)