

AGENDA

**ENGINEERING COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT**
Wednesday, January 4, 2017 – 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 CCL Contracting for construction services to complete the Leucadia (L1) Force Main West Section Replacement Project in an amount not to exceed \$1,387,731. (Pages 2 - 7)
 - B. Authorize the General Manager to execute an Agreement with Richard Stinson Construction Management for construction management services during the construction of the Leucadia (L1) Force Main West Section Replacement Project in an amount not to exceed \$50,000. (Pages 8 - 9)
5. **Information Items**
 - A. Hazard Mitigation Plan overview. (Verbal)
6. **Directors' Comments**
7. **General Manager's Comments**
8. **Adjournment**

MEMORANDUM

DATE: December 27, 2016
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: Leucadia (L1) Force Main West Section Replacement 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 CCL Contracting for construction services to complete the Leucadia (L1) Force Main West Section Replacement Project in an amount not to exceed \$1,387,731.
2. Authorize the transfer of funds in the amount of \$200,000 from the FY16 Gravity Pipeline Rehabilitation Construction account and \$95,000 from the FY15 Gravity Pipeline Rehabilitation Construction account for a total amount of \$295,000 to cover the full cost of project construction.
3. Discuss and take other action as appropriate.

BACKGROUND:**Tactical Goal: Infrastructure and Technology / L1 Force Main West Section Replacement**

In July 2013 Infrastructure Engineering Corporation (IEC) completed the Leucadia (L1) Force Main Internal Corrosion Evaluation Project Report. Based on the condition of the sample taken from the L1 section west of Interstate 5, IEC recommended that the District discontinue use of L1 until the District conducted further condition assessments of the force main.

In October 2013, IEC researched ways to conduct the non-destructive assessment of L1. However, due to the significant cost, staff recommended and the Board agreed that the District should not perform the assessment at that time. Instead, staff thought the funds would be better spent replacing the western section of L1. Staff is confident that once the west section is replaced L1 can then be relied on for use during an emergency.

In March 2015, the Board authorized an Agreement with IEC to design the Leucadia (L1) Force Main West Section Replacement Project (L1 Force Main). Then in July 2015, the Board authorized the execution of an agreement with IEC to design the 2016 Gravity Pipeline Rehabilitation Project which included the Cured-in-Place Pipe (CIPP) lining of the Leucadia Scenic gravity line (Leucadia Scenic). Subsequently, the L1 Force Main and Leucadia Scenic projects were combined into a single project for the following reasons:

- The requirement to obtain a Caltrans right-of-way (ROW) Permit due to project location.
- Completion of the CIPP lining of the portion of the Leucadia Scenic gravity line in La Costa Avenue for added structural support of that line prior to replacement of the L1 Force Main.

- Construction scheduling of the CIPP lining and L1 Force Main replacement.

The design for the combined project, including an approved Caltrans ROW Permit, was completed and put out for bids in September 2016. Bids were due on November 3, 2016 and two bids were received. The two bids were significantly higher (39.6% and 61.3%) than the Engineer's Estimate of \$1.4M. As a result of the high bids and minimal competition from the bid solicitation, Staff rejected the two submitted bids and separated the projects with the goal of improving the bid environment and lowering project costs. The Leucadia Scenic construction project was awarded in December 2016 at a cost of \$172,602.

DISCUSSION:

In November 2016, IEC finalized the revised plans and specifications for the Leucadia (L1) Force Main West Section Replacement Project. The project includes the realignment of a portion of the L1 Force Main to the south side of La Costa Avenue to shift it away from the bluffs to the north to reduce the risk of force main damage in the event of a slope failure. Please refer to the diagram below for the L1 Force Main project location and alignment.



The project was advertised for bids on November 21st with bids due on December 15th. Four bids were received with the following results:

<u>Construction Firm</u>	<u>Bid Submitted</u>
CCL Contracting	\$1,387,731
SC Valley	\$1,795,000
Burtech Pipeline	\$1,845,000
PAL Engineering	\$1,938,731

The bids were reviewed by Scott Fleming and Jamie Fagnant at IEC. The bid review memorandum is attached for your review. Based on the required documents submitted with their bid, CCL Contracting (CCL) has the requisite knowledge and experience to perform the work on the project. The bid submitted by CCL was 22.5% lower than the Engineer's Estimate of \$1.79M.

As a result of their evaluation, IEC recommends that CCL be awarded the contract as the lowest responsive and responsible bidder. Staff concurs with IEC's assessment and recommends that the Board award the construction contract for the Leucadia (L1) Force Main West Section Replacement Project to CCL Contracting in an amount not to exceed \$1,387,731. It should be noted that the total cost of the two projects is \$1,560,333 or a savings of \$394,217 from the original L1 Force Main and Leucadia Scenic combined project bid of \$1,954,550.

FISCAL IMPACT:

Staff appropriated a total of \$1,416,600 for the L1 West Section Replacement project construction. An additional appropriation of \$295,000 is needed to cover the total construction costs for both the L1 West Section Replacement and Leucadia Scenic projects, including contingency (\$145,000 construction cost shortfall and \$150,000 for 10% project contingency). Staff recommends completing the construction of both projects to ensure the integrity and reliability of the collection system. Therefore, staff requests the Board approve the transfer of funds in the amount of \$200,000 from the FY16 Gravity Pipeline Rehabilitation Construction account and \$95,000 from the FY15 Gravity Pipeline Rehabilitation Construction account to the L1 Force Main West Section Replacement construction account for project construction. It should be noted that the Leucadia Scenic portion of the project (\$172,602) was originally included in the FY16 Pipeline Rehabilitation Project.

rym:PJB

Attachment



BID REVIEW MEMORANDUM

Date: December 23, 2016

Subject: **Leucadia L1 Sewer Force Main West Side Replacement**

Prepared By: Scott Fleming, EIT
Reviewed By: Jamie Fagnant, PE

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

Four bids were received and opened on December 15th, 2016. The bids are summarized on Table 1 - Bid Summary (see attached) and characteristics of the bids are as follows:

Low Bid (CCL Contracting):	\$1,387,731
2 nd Lowest Bid (S.C. Valley Engineering, Inc.):	\$1,795,000
3 rd Lowest Bid (Burtech Pipeline):	\$1,845,000
High Bid (PAL Engineering):	\$1,938,731
Engineer's Opinion of Probable Cost:	\$1,797,050

This project was originally bid in conjunction with the L1 Leucadia Scenic Cured-in-Place Pipe Lining Project. However, upon review of the bids received it was apparent that inclusion of the lining work as part of the larger force main project resulted in unusually elevated bids and a small pool of bidders. The initial bids on this larger project were rejected and the project repackaged to split the lining portion of the project out from the force main replacement. This resulted in a reduced low bids as shown above.

REVIEW OF LOW BIDDER

CCL Contracting Inc. (CCL or Contractor), Escondido, California, submitted the apparent low bid. IEC has reviewed CCL's bid and recommends the District award the project to CCL for the following reasons:

Contractor's License: The Contractor holds the required Class A License (No. 798819). 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 Liberty Mutual Insurance Company as surety. Liberty Mutual Insurance Company has a Best's Key Rating of A, XV

Signatures: The Contractor's Contracting & Attesting Officer, Bryan Lusky signed the Closing Statement and Non-Collusion Affidavit. Bryan Lusky and the Contractor's Attorney-in-Fact, Mark D. Iatarola, signed the Bidder's Bond.

Project Manager's Experience: The Contractor has identified Brian Lusky as the project manager in a follow-up phone call from IEC on 12/16/16.



Approach to Work: The Contractor addressed the anticipated project issues as required in the Approach to Work section of the Bid Documents. IEC followed up with CCL via a phone call on December 16, 2016 to confirm that CCL fully understood the project. Rod Chilcote of CCL confirmed that they were prepared to perform the work for the bid amount provided.

Worker's Compensation Insurance: Policy is in affect through 04/01/2017. The most recent workers' compensation experience modification factor for CCL is 1.07%.

Experience Requirements: The bid documents require the Contractor to submit three project references where the Contractor was required to install at least 2,000 linear feet or greater pipeline using AWWA C905 PVC pipe with a minimum diameter of 14 inches. CCL provided the requisite project references.

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

Registration with the Department of Industrial Relations (DIR):

As of 03/01/2015 contractors and their subcontractors are required to be registered with the DIR prior to bidding a public works project. The table below demonstrates that CCL and each of its subcontractors have met this requirement.

Contractor Legal Name	Registration Number	Registration Date	Expiration Date
CCL Contracting Inc	1000006638	06/29/2016	06/30/2017
Sealright Paving, Inc.	1000039542	07/01/2016	06/30/2017

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

List of Subcontractors:

Contractor Legal Name	Location of Business	Portion of Work
Sealright Paving, Inc.	Spring Valley, CA	Grind & Cap

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

RECOMMENDATION

IEC recommends award of the contract to CCL Contracting Inc based on their knowledge and experience record and responsiveness to the bidding requirements.

Attachments

Table 1 – Bid Summary

Leucadia Wastewater District
L1 Sewer Force Main West Side Replacement Project
Table 1 - Bid Summary

Item	Description	Unit	Qty.	Engineer's Opinion of Probable Construction Cost	CCL Contracting, Inc.	S.C. Valley Engineering, Inc.	Burtech Pipeline, Inc.	PAL General Engineering, Inc.
1	Mobilization, Insurance, Bonds, Permits, Cleanup and Demobilization	LS	1	\$85,000	\$55,000	\$80,420	\$51,030	\$172,000
2	Storm Water Pollution Prevention Plan (SWPPP) and Compliance with NPDES Requirements	LS	1	\$12,000	\$24,000	\$62,000	\$8,000	\$16,897
3	Sheeting, Shoring and Bracing	LS	1	\$36,000	\$24,000	\$77,000	\$34,000	\$18,698
4	24" PVC Sewer Force Main	LF	2442	\$1,282,050	\$1,023,198	\$1,123,320	\$1,367,520	\$705,738
5	18" PVC Sewer Force Main	LF	149	\$74,500	\$77,033	\$110,260	\$81,950	\$46,488
6	Traffic Control	LS	1	\$100,000	\$21,000	\$123,000	\$90,000	\$119,458
7	Force-Balanced Seismic Isolation Joint	EA	2	\$100,000	\$72,000	\$98,000	\$100,000	\$106,432
8	Pothole Utilities	LS	1	\$50,000	\$35,000	\$62,000	\$50,000	\$36,245
9	Air Valve Assembly	EA	1	\$25,000	\$25,000	\$26,500	\$30,000	\$48,635
10	Blow Off Assembly	EA	1	\$25,000	\$24,000	\$25,000	\$25,000	\$32,945
11	Allowance - Caltrans Inspection Fees	ALL	1	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500

* PAL Engineering used the bid schedule from the previous bid which included items pertaining to Leucadia Scenic Cured in Place Pipe Lining that were removed from the project in the rebid. PAL Engineering's total reflects the total as calculated and written in the bid forms they submitted for this bid.

Engineer's Opinion of Probable Construction Cost
\$1,797,050

		Subs: Sealright Paving, Inc.	Subs: Sealright Paving, Inc. Payco Specialties, Inc.	Subs: Sealright Paving, Inc. OldCastle Precast	Subs: MoCon Corp.
Total:	\$1,797,050	\$1,387,731	\$1,795,000	\$1,845,000	*\$1,938,731
Check Total:		\$1,387,731	\$1,795,000	\$1,845,000	\$1,311,036
Amount in Words:		\$1,387,731	\$1,795,000	\$1,845,000	*\$1,938,731

MEMORANDUM

DATE: December 27, 2016
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: Leucadia (L1) Force Main West Section Replacement Project Construction Management Services Contract

RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with Richard Stinson Construction Management for construction management services during the construction of the Leucadia (L1) Force Main West Section Replacement Project in an amount not to exceed \$50,000.
2. Discuss and take other action as appropriate.

DISCUSSION:**Tactical Goal: Infrastructure and Technology / L1 Force Main West Section Replacement**

The Leucadia (L1) Force Main West Section Replacement Project (L1 Force Main) requires construction management support to oversee construction of the project. The construction management services consist of contractor oversight, negotiating change orders, construction inspection and administration. Richard Stinson has a proven track record of providing excellent construction management (CM) services to the District. Mr. Stinson has provided CM services for a majority of the collection system construction projects undertaken by the District since 2003 including the Satellite Pump Stations, Force Mains, and Gravity Sewer Replacement Project, the Batiquitos (B1/B2) Force Main Replacement Project, Batiquitos Pump Station Rehabilitation Project and Fiscal Years 2013, 2014, 2015 and 2016 Gravity Pipeline Rehabilitation Projects. For the L1 Force Main project, Mr. Stinson submitted a proposal to provide CM services in an amount not to exceed \$50,000, an estimated 500 hours at \$100 per hour. Based on the estimated 150 calendar day period for construction and Mr. Stinson's experience and past performance, staff believes this fee is fair and reasonable.

Mr. Stinson has consistently provided outstanding CM services on previous District projects. He possesses in depth knowledge of the District's collection system and operations. Mr. Stinson performed constructability reviews of the L1 Force Main project during the project's design phase and, therefore, has thorough knowledge of the project's plans and specifications. Retaining his CM services during construction will provide continuity, efficiency and is in the best interest of the District. For these reasons, the procurement of these CM services satisfies the criteria for sole sourcing allowed under Section 11.1, Sole Source Procurement, and continuity of service under Section 12.4, Continuing Services, of the District's Procurement Policy.