

**AGENDA**

**ENGINEERING COMMITTEE MEETING  
LEUCADIA WASTEWATER DISTRICT**

Wednesday September 2, 2015 – 9:00 a.m.  
1960 La Costa Avenue, Carlsbad, CA 92009

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**1. Call to Order**

**2. Roll Call**

**3. Public Comment**

**4. New Business**

- A. Authorize the General Manager to execute an Agreement with TC Construction Company for construction services to complete the Saxony Pump Station Rehabilitation Project in an amount not to exceed \$483,575. (Pages 2 – 7)
- B. Authorize the General Manager to execute a Landscape Maintenance Contract for the District's headquarters site with Heaviland Enterprises, Incorporated at a cost not to exceed \$30,240 over an initial three year contract period. (Page 8)

**5. Information Items**

- A. 2015 Gravity Pipeline Rehabilitation Project update. (verbal)
- B. Scott's Valley Pipeline Rehabilitation Project update. (verbal)

**6. Director's Comments**

**7. General Manager's Comments**

**8. Adjournment**

## MEMORANDUM

Ref: 16-4694

**DATE:** August 27, 2015  
**TO:** Engineering Committee  
**FROM:** Paul J. Bushee, General Manager *confirmation for PSB*  
**SUBJECT:** Award of the District's Saxony Pump Station Rehabilitation Project Construction Contract

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### RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with TC Construction Company for construction services to complete the Saxony Pump Station Rehabilitation Project in an amount not to exceed \$483,575.
2. Authorize an additional appropriation to the Fiscal Year 2016 budget in the amount of \$110,000 to cover the full cost of project construction.
3. Discuss and take other action as appropriate.

### DISCUSSION:

The rehabilitation of the Saxony Pump Station was included as a goal under the Technology and Infrastructure Strategy in the Fiscal Year 2016 (FY16) Tactics & Action Plan.

In April 2015, Infrastructure Engineering Corporation (IEC) completed the Preliminary Design Report (PDR) for the rehabilitation of the Saxony Pump Station. Upon completion of the PDR, the Board of Directors authorized IEC to continue with the design phase of the project. IEC completed the design and the project was advertised for bid in July 2015. Bids were due on August 20, 2015. Six bids were received with the following results:

| <u>Construction Firm</u>           | <u>Bid Submitted</u> |
|------------------------------------|----------------------|
| TC Construction Company            | \$483,575            |
| Piperin Corporation                | \$547,250            |
| MMC Incorporated                   | \$574,111            |
| Downstream Services                | \$638,685            |
| Metro Builders and Engineers Group | \$727,000            |
| Weir Construction Corporation      | \$742,920            |

The bids were reviewed by Robert Weber, Jamie Fagnant and Marie Fawcett at IEC. The bid review memorandum is attached for your review. TC Construction Company (TC Construction) submitted the apparent low bid. TC Construction's individual bid item amounts roughly correlated with those of the engineer's opinion of probable cost and the other bidders. However, two issues were noted with the bid submission:

- TC Construction failed to list Base 9 Consulting (Base 9) as a subcontractor for control system integration. IEC contacted TC Construction regarding this error. TC Construction

was under the impression that the District was going to contract directly with Base 9. Although TC Construction did not list Base 9 as a subcontractor, they did include Base 9's cost in their bid. District's legal counsel reviewed the issue and concluded:

1. Base 9 is identified as the required subcontractor for control system integration in Addendum 1 and TC Construction acknowledged receipt of Addendum 1.
2. TC Construction's bid includes funds for Base 9's control system integration work and does not list an alternate subcontractor for the work.
3. The error did not affect the amount of the bid.
4. Allowing the bid does not create an unfair advantage or impact the ability to make a bid comparison (Base 9 work was part of all bids)

Legal counsel and IEC consider the error to be minor and should not result in disqualification of the bid. They recommend this discrepancy be waived.

- Bid Item 9, Bypass Pumping, was significantly lower than the engineer's opinion of probable cost and other bidder's estimates for that item. IEC contacted TC Construction regarding this discrepancy. Greg Byars, of TC Construction explained that they have their own bypass pumps and equipment. Since TC Construction does not need to rent equipment or use a subcontractor, they can provide this service at a lower rate.

TC Construction's bid was approximately \$24,000 or 5% greater than the engineer's opinion of probable cost of \$459,360. IEC reviewed the six bids and found that the bid item amounts were similar between the six bidders and roughly correlated to the engineer's opinion of probable cost. IEC believes that the bid costs reflect the current market conditions and reasonably stringent installation guidelines.

As a result of their evaluation, IEC recommended that TC Construction be awarded the contract as the lowest responsive and responsible bidder. Staff agrees with IEC's assessment and recommends that the Board award the contract for rehabilitation of the Saxony Pump Station to TC Construction.

#### **FISCAL IMPACT:**

Staff appropriated \$502,800 for project construction. When the cost of pre-purchasing the Vaugh Chopper Pumps (\$81,864) is added to the construction cost of \$483,575 the total project construction cost is \$565,439. Therefore, an additional appropriation of \$110,000 is needed to cover the construction costs for the project (\$62,639) and a 10% contingency (\$48,357). Staff requests the Board approve an additional appropriation of \$110,000 to the FY16 Budget for project construction.

rym:PJB

Attachment



***BID REVIEW MEMORANDUM***

Date: August 26, 2015

Subject: Saxony Pump Station Rehabilitation Project

Prepared By: Marie Fawcett, E.I.T. and Jamie Fagnant, P.E.

Reviewed By: Rob Weber, P.E.

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**PURPOSE**

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

**BID RESULTS**

Six bids were received and opened on August 20th, 2015. The bids are summarized on Table 1 - Bid Summary (see attached) and characteristics of the bids are as follows:

|                                      |           |
|--------------------------------------|-----------|
| Low Bid:                             | \$483,575 |
| Average Bid:                         | \$618,924 |
| High Bid:                            | \$742,920 |
| Engineer's Opinion of Probable Cost: | \$459,360 |

The low bid was approximately \$24k, or 5% greater than the engineer's opinion of probable cost. IEC reviewed the six bids and found that the bid item amounts were similar between the six bidders and roughly correlated to the engineer's opinion. Although the bid cost is higher 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.

**REVIEW OF LOW BIDDER**

TC Construction Company, Inc. (TC or Contractor), Santee, California submitted the apparent low bid. IEC has determined TC to be responsive to the bid requirements and recommends that the District award the project to TC. The following reviews have been completed:

**Contractor's License:** The Contractor holds the required Class A License (No. 402459). 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. This surety company has a rating of AM Best A XV with Best's Key Rating Guide.

**Signatures:** The Contractor's President, Austin Cameron. TC Secretary-Treasurer, Jack Gieffels. TC signed the Closing Statement. TC signed the Bidder's Bond, Non-Collusion Affidavit, and the Local Preference Certification.

**Addenda Acknowledged:** Addenda Nos 1 and 2 were acknowledged by TC. TC signed the Addendum Certification Form and faxed it to Leucadia Wastewater District (District).





**Project Manager's Experience:** The Contractor has identified Greg Byars as the project manager. His resume has been enclosed as part of the bid documents. IEC has reviewed his resume and found his experience suitable to manage the Saxony Pump Station Rehabilitation.

**Approach to Work:** The Contractor addressed the anticipated project issues as required in the Approach to Work section of the Bid Documents as outlined below:

TC strives at all time to make safety a priority, and has implemented a rigorous safety program for its employees.

TC intends to perform the sewer bypass as conceptualized on sheet C-3 from Addendum 1. TC will operate the bypass for 8 hours prior to starting any demolition. Once the bypass is running, TC will provide on-site 24 hour a day monitoring for the first 72 hours. Once TC is convinced the bypass is functioning as intended, a remote alarmed level sensing device will be employed to alert TC of any problems at the site. TC has two remote diesel mechanics and support crew on 24-hour stand-by.

There are two complete pump station shutdowns that will require coordination with the District to ensure that all forces are implemented correctly to minimize the time the pump station is shut down. TC will require that all of its pipe, spools, valves, fittings, flanges, pipe supports, nuts, bolts, and gaskets are on site and inspected by District 48 hours prior to any scheduled shutdown. TC will also schedule pre-shutdown meetings one week prior to the shutdowns. This meeting will include TC and District field personnel and will serve as a platform to introduce key personnel to each other and discuss all relevant details of the shutdowns.

**Worker's Compensation Insurance:** Policy is in affect through 11/1/2015. The most recent workers' compensation experience modification factor for TC is 0.80%.

**Experience Requirements:** The bid documents require the Contractor to submit three project references where the Contractor was required to bypassed 100% of the existing wastewater flow in order to complete the project with no incidents of spills. TC submitted three project references, and each one meets the requirements.

**References:** IEC contacted TC's listed references to perform an assessment of the Contractor's prior work. In all cases, TC 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 TC and each of its subcontractors have met this requirement.

| Contractor Legal Name            | Registration Number | Registration Date | Expiration Date |
|----------------------------------|---------------------|-------------------|-----------------|
| TC Construction Company, Inc.    | 1000003132          | 06/12/2015        | 06/30/2016      |
| Anderson & Howard Electric, Inc. | 1000000070          | 06/16/2015        | 06/30/2016      |
| Ayala Engineering                | 1000005012          | 06/29/2015        | 06/30/2016      |
| Greenfield Fence Inc.            | 1000002047          | 06/18/2015        | 06/30/2016      |
| National Coating & Lining Co.    | 1000013795          | 07/07/2015        | 06/30/2016      |

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



**List of Subcontractors:**

TC failed to list Base 9 Consulting as a subcontractor. IEC contacted TC regarding this error. TC was under the impression that the District was going to contract with Base 9 directly. Although they did not list Base 9 as a subcontractor, they did include Base 9's cost in their bid. The District's legal counsel reviewed the issue and concurred with IEC that the error is minor and should not result in disqualification of the bid.

**Bid Item Review:** TC's individual bid item amounts roughly correlate with those of the engineer's opinion of probable cost and the other bidders. There was one issue with the bid item amounts:

- Item 9, consisting of bypass pumping was significantly lower than the engineer's opinion of probable cost and other bidder's estimates for that item. IEC contacted TC regarding this discrepancy. Greg Byars, of TC Construction explained that they have their own bypass pumps and equipment. Since TC does not need to rent equipment or use a subcontractor, they can provide this service at a lower rate.

**Claims Filed:** TC listed three claims filed on their behalf and one claimed filed against them in their bid documents. IEC contacted TC regarding these claims. TC indicated that in each instance the claim had been settled and did not materially affect the Contractor's ability to perform the Work.

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 TC Construction Company, Inc. based on their knowledge and experience record and responsiveness to the bidding requirements.

**Attachments**

Table 1 – Bid Summary

Leucadia Wastewater District  
Saxony Pump Station Rehabilitation Project  
Table 1 - Bid Summary

| Item | Description  | Unit | Qty. | Engineer's<br>Opinion of<br>Probable<br>Construction<br>Cost | TC<br>Constructi<br>on Co. | Piperin  | MMC Inc. | Downstream<br>Services Inc. | Metro<br>Builders | Wier<br>Construction |
|------|--|------|------|--|----------------------------|----------|----------|-----------------------------|-------------------|----------------------|
| 1    | Mobilization, Bonds, Permits, Cleanup and Demobilization                                   | LS   | 1    | \$33,000   | \$15,000                   | \$40,000 | \$40,000 | \$55,000                    | \$131,000         | \$27,600             |
| 2    | Installation, Start-Up and Testing of New Submersible Chopper Pumps (Supplied by District) | LS   | 1    | \$25,000   | \$59,200                   | \$21,000 | \$10,000 | \$40,000                    | \$44,000          | \$15,000             |
| 3    | Wet Well Work  | LS   | 1    | \$6,500  | \$19,175                   | \$35,000 | \$80,000 | \$35,000                    | \$58,000          | \$28,200             |
| 4    | Wet Well Epoxy Lining  | LS   | 1    | \$35,000   | \$50,000                   | \$55,000 | \$50,000 | \$62,067                    | \$39,000          | \$44,796             |
| 5    | Value Vault Work   | LS   | 1    | \$95,000   | \$83,500                   | \$95,000 | \$60,000 | \$70,000                    | \$112,000         | \$132,000            |
| 6    | Manhole Rehabilitation   | EA   | 2    | \$24,000   | \$32,000                   | \$34,000 | \$40,000 | \$45,000                    | \$26,000          | \$37,584             |
| 7    | Electrical Work  | LS   | 1    | \$23,300   | \$55,000                   | \$50,000 | \$42,111 | \$40,000                    | \$45,000          | \$38,400             |
| 8    | PLC Modification and Programming   | LS   | 1    | \$60,000   | \$65,000                   | \$65,000 | \$69,500 | \$58,900                    | \$66,000          | \$70,440             |
| 9    | Bypass Pumping   | LS   | 1    | \$40,000   | \$30,000                   | \$70,000 | \$80,000 | \$52,000                    | \$88,000          | \$175,200            |
| 10   | Paintings and Coatings   | LS   | 1    | \$15,000   | \$12,400                   | \$5,000  | \$60,000 | \$54,468                    | \$18,000          | \$15,000             |
| 11   | Miscellaneous Work   | LS   | 1    | \$8,500  | \$47,300                   | \$45,000 | \$30,000 | \$30,000                    | \$72,000          | \$126,000            |
| 12   | Chemical Grout   | GAL  | 250  | \$7,500  | \$7,750                    | \$11,250 | \$7,500  | \$56,250                    | \$17,000          | \$7,500              |
| 13   | Manhole Rehabilitation with Cone Replacement   | EA   | 1    | \$10,000   | \$7,250                    | \$21,000 | \$5,000  | \$40,000                    | \$11,000          | \$25,200             |

Subtotal: \$382,800  
Contingency: \$76,560

|  |
|--|
| Engineer's Opinion of Probable Construction Cost |
| \$459,360  |

|                  |           |           |           |           |           |           |           |
|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total:           | \$459,360 | \$483,575 | \$547,250 | \$574,111 | \$638,685 | \$727,000 | \$742,920 |
| Check Total:     |           | \$483,575 | \$547,250 | \$574,111 | \$638,685 | \$727,000 | \$742,920 |
| Amount in Words: |           | \$483,575 | \$547,250 | \$574,111 | \$638,685 | \$727,000 | \$742,920 |



**MEMORANDUM**

**DATE:** August 27, 2015  
**TO:** Engineering Committee  
**FROM:** Paul J. Bushee, General Manager *conferred for PSB*  
**SUBJECT:** Landscape Maintenance Contract

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**RECOMMENDATION:**

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

1. Authorize the General Manager to execute a Landscape Maintenance Contract for the District's headquarters site with Heaviland Enterprises, Incorporated at a cost not to exceed \$30,240 over an initial three year contract period.
2. Discuss and take other actions as appropriate.

**DISCUSSION:**

Landscaping on the District's campus and the associated irrigation system requires regular maintenance. The formal bid process was conducted to select a company to provide this necessary maintenance service. The initial period of the contract for this service is three years. If services during the initial period are satisfactory, the contract can be extended for two additional one year periods.

The request for sealed bids was distributed to ten landscape maintenance companies. Additionally, a Notice Inviting Bids was published in the San Diego Union-Tribune. Sealed bids were due on August 13, 2015. Four bids were received in response to this solicitation with the following results:

| <u>Company</u>                   | <u>Monthly Cost</u> | <u>Cost for Initial Three Years</u> |
|----------------------------------|---------------------|-------------------------------------|
| Heaviland Enterprises, Inc.      | \$ 840.00           | \$ 30,240.00                        |
| Blue Skies Landscape Maintenance | \$ 878.00           | \$ 31,608.00                        |
| Aztec Landscaping, Inc.          | \$ 1,212.40         | \$ 43,646.40                        |
| Singh Group, Inc.                | \$ 2,500.00         | \$ 90,000.00                        |

References provided by Heaviland Enterprises (Heaviland) were contacted. The references consisted of the City of Poway, the United States Olympic Training Center and Callaway Golf Company. All references indicated that the service provided by Heaviland was outstanding, professional and responsive. Therefore, it is recommended that this contract be awarded to Heaviland as the lowest responsive and responsible bidder.

**FISCAL IMPACT:**

The Fiscal Year 2016 Budget has sufficient funds allocated to cover the annual cost. Adequate funds to cover future annual costs will be budgeted for in subsequent fiscal years.

rym:PJB