

AGENDA

**ENGINEERING COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT**
Wednesday, August 1, 2018 – 9:00 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 Burtech Pipeline, Incorporated for construction services to complete the La Costa Golf Course Line / Quebrada Line Realignment Project in an amount not to exceed \$875,000. (Pages 2- 6)
5. **Information Items**
 - A. Update of the Poinsettia Train Station Parallel Gravity Pipeline Project. (verbal)
6. **Directors' Comments**
7. **General Manager's Comments**
8. **Adjournment**

MEMORANDUM

Ref: 19-6295

DATE: July 26, 2018
TO: Engineering Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: Award of the District's La Costa Golf Course Line / Quebrada Line Realignment 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 Burtech Pipeline, Incorporated for construction services to complete the La Costa Golf Course Line / Quebrada Line Realignment Project in an amount not to exceed \$875,000.
2. Discuss and take other action as appropriate.

BACKGROUND:

Tactical Goal: Infrastructure and Technology / La Costa Golf Course Line / Quebrada Line Realignment

In January 2017 staff executed a Task Order with Infrastructure Engineering Corporation (IEC) to design the La Costa Golf Course Gravity Line Improvements Project. The goal of the project was to repair or replace a pipeline with significant internal corrosion, a sag and numerous points of groundwater infiltration. The line runs through the La Costa Resort South Golf Course. Additionally, a portion of that line that is encased in concrete and crosses San Marcos Creek is fully exposed and could sustain damage during a significant storm event. To increase structural integrity, a cured-in-place pipe (CIPP) liner was installed in the creek crossing section in November 2015. During project design it was determined that rerouting the entire flow from this line into an adjacent 18 inch diameter polyvinyl chloride (PVC) trunk line was the best solution. The defective line will then be abandoned in place.

Subsequently, in July 2017 the District solicited bids for the 2017 Gravity Pipeline Rehabilitation and La Costa Gravity Sewer Alteration Project. The project included both CIPP lining, manhole rehabilitation and open trench construction to realign the 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 IEC's 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. The La Costa Golf Course / Quebrada Line Realignment Project resulted from that separation.

The project includes the realignment of the Quebrada Gravity Line. The line has a significant sag which causes grit, grease and debris to collect in the line, thereby requiring quarterly cleaning. The initial design was to reroute the flow and abandon the sagged portion. However, the realignment of Quebrada required a new sewer easement through a resident's property. Although there was an existing storm drain easement on the property and the new sewer easement would be contained within that current easement, the resident denied staff's request to allow the addition of the sewer easement. Therefore, the project was revised to include the open trench replacement in place of approximately 500 feet of

the Quebrada gravity line. Additionally, five (5) open trench repairs from the Repair Priority List were included to form a bigger project with the intent to attract greater interest for a more competitive bid.

DISCUSSION:

IEC completed project design in June 2018. The project was advertised for bids on June 20th. Bids were due on July 19, 2018. Three bids were received as follows:

<u>Construction Firm</u>	<u>Bid Submitted</u>
Wier Construction Corporation (Wier)	\$1,055,860
Burtech Pipeline, Incorporated (Burtech)	\$1,525,000
Piperin Corporation (Piperin)	\$1,970,000

On July 23rd staff received a letter from Wier requesting that they be allowed to withdraw their bid due to a clerical error in their bid tabulation. The error resulted in Wier's submitted bid being lower than their intended bid by \$334,800. Wier's request for withdrawal was approved. Therefore, Burtech became the apparent low bidder.

Burtech's bid of \$1,525,000 is 48% higher than the Engineer's estimate of \$1,034,000 and budget amount of \$1,039,500. Additionally, the current alignment of the Quebrada Line is on the south edge of a 25 to 30 feet wide walking path. The alignment is covered with mature shrubs and trees for approximately 90% of its length and resident fencing 5 feet from pipe center line along the entire length of the pipeline. Staff wants to shift the pipe alignment closer to the center of the path for easier construction and maintenance. As a result, staff approached Burtech and inquired if they were willing to remove the Quebrada portion of the project (a \$650,000 bid item) while honoring the bid amounts for the remaining work. Burtech agreed to remove the Quebrada portion and honor the remaining bid for an adjusted bid price of \$875,000.

The bids were reviewed by Jamie Fagnant at IEC. The bid review memorandum is attached for your review. As a result of their evaluation, IEC has determined Burtech to be responsive to the bid requirements and recommends the District award the project to Burtech at the adjusted bid of \$875,000.

Therefore, Staff recommends that the Board of Directors award the contract to Burtech as the lowest responsive and responsible bidder in an amount not to exceed \$875,000.

FISCAL IMPACT:

There is sufficient appropriation in the FY19 Budget to cover the construction costs of the project.

rym:PJB

Attachment



BID REVIEW MEMORANDUM

Date: July 26, 2018
Subject: La Costa Golf Course Line / Quebrada Line Realignment Project
Prepared By: Sheila McAtee, E.I.T.
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

Three bids were received and opened on July 19th, 2018. The bids are summarized on Table 1 - Bid Summary (see attached) and characteristics of the bids are as follows:

Apparent Low Bid:	\$1,055,860
Second Lowest Bid:	\$1,525,000
High Bid:	\$1,970,000
Engineer's Opinion of Probable Cost:	\$1,037,000

Wier Construction submitted the lowest bid. However, they requested, and the District allowed, that their bid be withdrawn. Burtech Pipeline, Inc. (Burtech) was the second lowest bidder at \$1,525,000. The District elected to award the contract to Burtech with the negotiated removal of bid item seven, bringing the proposed contractual amount to \$875,000. This memo reviews Burtech as the apparent low bidder.

REVIEW OF APPARENT LOW BIDDER

Burtech Pipeline Incorporated (Contractor or Burtech), Encinitas, California, submitted the apparent low bid. IEC has reviewed Burtech's bid and recommends the District award the project to Burtech for the following reasons:

Contractor's License: The Contractor holds the required Class A License (No. 718202). 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.

Signatures: The Contractor's President and CEO, Dominic Burtech, signed the Closing Statement, Bidder's Bond, and Non-Collusion Affidavit.

Worker's Compensation Insurance: Policy is in affect through 10/01/2018. The most recent workers' compensation experience modification factor for Burtech is 0.79%.

Experience Requirements: The bid documents require the Contractor to submit three project references where the Contractor was required to install at least 1,000 linear feet of



polyvinyl chloride (PVC) pipe of a minimum diameter of 8 inches in each project. Burtech exceeded the experience requirements.

References: IEC contacted Burtech's listed references to perform an assessment of the Contractor's prior work. In all cases, Burtech 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. IEC confirmed that both Burtech, and their listed subcontractor, Nuline Technologies are registered with the DIR.

Contractor Legal Name	Registration Number	Registration Date	Expiration Date
Burtech Pipeline Incorporated	1000006324	10/01/2017	10/01/2018
Nuline Technologies, LLC.	1000003808	02/01/2018	02/01/2019

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

Bid Item Review: Bid Item 7 was negotiated to be removed from the Contract. No irregularities were found with the remaining bid items.

Claims Filed: Burtech has no claims filed in the last five years against them.

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 Burtech Pipeline, Incorporated, based on their knowledge and experience record and responsiveness to the bidding requirements.

Attachments

Table 1 – Bid Summary

LEUCADIA WASTEWATER DISTRICT
 QUEBRADA/LA COSTA GRAVITY SEWER REPAIR PROJECT
 Table 1 - Bid Summary

Item	Article	Unit	Qty.	Engineer's Opinion of Probable Construction Cost	Wier Construction	Burtech Pipeline	Piperin
1	Mobilization, Bonds, Permits, Cleanup and Demobilization	LS	1	\$52,000	\$248,000	\$75,000	\$125,000
2	Sheeting, Shoring and Bracing	LS	1	\$40,000	\$93,000	\$65,000	\$50,000
3	New 8" PVC (Teagan Lane)	LS	1	\$20,000	\$29,760	\$50,000	\$50,000
4	New 8" PVC (Neptune Ave)	LS	1	\$25,000	\$15,500	\$40,000	\$45,000
5	Replace Manhole Drop Connection (Ashbury St)	LS	1	\$15,000	\$12,400	\$30,000	\$40,000
6	New 8" PVC and New Sewer Manhole (Village Run East)	LS	1	\$60,000	\$74,400	\$70,000	\$75,000
7	New 8" PVC, Rechannel Existing Manhole and Landscaping (Quebrada)	LS	1	\$250,000	\$266,600	\$650,000	\$950,000
8	New 8" PVC (Navarra Drive)	LS	1	\$25,000	\$12,400	\$25,000	\$35,000
9	Sewer Vertical Relocation, New 10" PVC, New 8" PVC, New Sewer Manhole, and Sewer Abandonment (La Costa Golf Course)	LS	1	\$500,000	\$266,600	\$470,000	\$535,000
10	Landscaping	LS	1	\$50,000	\$37,200	\$50,000	\$65,000

Engineer's Opinion of Probable Construction Cost
\$1,037,000

TOTAL:	\$1,037,000	\$1,055,860	\$1,525,000	\$1,970,000
Check Total:		\$1,055,860	\$1,525,000	\$1,970,000
Amount in Words:		\$1,055,860	\$1,525,000	\$1,970,000
		less BI 7	\$875,000	