



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JUNE 12, 2017

ITEM NO: 13

SUBJECT: CONSTRUCTION OF THE JACKSON STREET RECYCLED WATER PIPELINE PROJECT (PHASE I) – 18,600 FEET OF NEW RECYCLED WATER PIPELINE – REJECTION OF THE BID SUBMITTED BY MNR CONSTRUCTION, INC. OF BALDWIN PARK, CALIFORNIA – AWARD OF BID NO. RPU-7465 TO TRAUTWEIN CONSTRUCTION, INC. OF RIVERSIDE, CALIFORNIA, IN THE AMOUNT OF \$7,162,460 – APPROVE THE INCREASED EXPENDITURE FOR WORK ORDER NO. 1521905 OF \$8,109,000 FOR A REVISED WORK ORDER TOTAL OF \$8,609,000

ISSUES:

Reject as non-responsive the bid submitted by MNR Construction, Inc. of Baldwin Park, California, in the amount of \$6,983,700; award Bid No. RPU-7465 to Trautwein Construction, Inc. of Riverside, California, for the construction of the Jackson Street Recycled Water Pipeline Project (Phase I) in the amount of \$7,162,460; and approve the increased expenditure for Work Order No. 1521905 of \$8,109,000 for a revised work order total of \$8,609,000.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Reject as non-responsive the bid submitted by MNR Construction, Inc. of Baldwin Park, California, in the amount of \$6,983,700 (Schedule A: \$6,676,400 + Schedule B: \$307,300);
2. Award a contract for the construction of the Jackson Street Recycled Water Pipeline Project (Phase I) – Bid No. RPU-7465 to the lowest responsive and responsible bidder, Trautwein Construction, Inc. of Riverside, California, in the amount of \$7,162,460 (Schedule A: \$6,976,859 + Schedule B: \$185,601); and
3. Approve the increased expenditure for Work Order No. 1521905 of \$8,109,000 for a revised total of \$8,609,000, which includes all design, construction, paving, contract administration, inspection, and construction contingency costs for the Jackson Street Recycled Water Pipeline Project (Phase I).

BACKGROUND:

The Jackson Street Recycled Water Pipeline Project will extend the existing 24-inch recycled water pipeline that currently terminates at the intersection of Van Buren Boulevard and Jackson Street along Jackson Street, Magnolia Avenue, Monroe Street and Lincoln Avenue to the intersection of Jackson Street and Cleveland Avenue. The new pipeline will expand Riverside Public Utilities' (RPU) recycled water system by providing recycled water service to customers along its proposed alignment, and it will serve as a backbone for potential expansion of RPU's recycled water system in the future. The first phase will extend from the intersection of Van Buren Boulevard and Jackson Street to Don Derr Park on Monroe Avenue.

On January 22, 2016, the Board of Public Utilities (Board) approved this project and the Arlington Avenue Recycled Water Pipeline Project to qualify for an exemption from the State of California Environmental Quality Act (CEQA), which became available when the governor made an emergency drought declaration. This CEQA exemption applies to projects that expand recycled water pipelines within existing rights-of-way. The Board also authorized a capital expenditure of \$500,000 to cover upfront design and utility potholing costs for the Jackson Street Recycled Water Pipeline Project (Phase I).

On June 16, 2015, the City Council accepted a \$1,000,000 grant from the Santa Ana Watershed Project Authority (SAWPA) for construction of the project.

RPU advertised the project and received twelve bids in May 2016. However, RPU learned of potential funding opportunities and recognized that the specifications did not contain specific language requirements needed for federal funding. In July 2016, the Board rejected all bids in order to modify the specifications.

Staff has since modified the specifications as needed to pursue possible funding opportunities, should they become available, and re-advertised the project on March 21, 2017.

DISCUSSION:

The work entails the construction of:

1. 14,900 linear feet of 24-inch cement mortar lined and coated steel pipe;
2. 380 linear feet of 24-inch ductile iron pipe;
3. 220 linear feet of 12-inch ductile iron pipe;
4. 3,000 linear feet of 8-inch ductile iron pipe;
5. 100 linear feet of 8-inch ductile iron pipe inside a 16-inch steel casing installed via bore and jack;
6. 400 linear feet of 36-inch steel casing pipe;
7. one 2,110 gallon surge suppression tank;
8. one potable water emergency connection;
9. fourteen recycled water services; and
10. all related incidental work and appurtenances.

The work also involves abandoning 7,000 linear feet of unused 42-inch and 48-inch techite pipeline in Monroe Avenue. RPU took the existing techite pipeline in Monroe Street out of service many years ago, and it currently remains empty. During soil sampling activities for the Jackson Street Recycled Water Pipeline Project, the drill rig punctured the techite pipeline. The puncture was difficult to repair to keep soil from caving into the hole. Techite pipe is relatively thin, and staff recognized a potential risk of sinkholes forming at other improperly repaired punctures or breaches. Therefore, the contractor will fill the techite pipeline in Monroe Street with low strength cement slurry to prevent risk from future sinkholes.

Staff identified a short section of unused techite pipeline at the intersection of Monroe Avenue and Indiana Avenue to be used as a host pipe for the new recycled water pipeline beneath Indiana Avenue. This will help avoid disruptions to this busy intersection during construction.

The contractor will install the new recycled water facilities according to RPU's current standards and in accordance with all applicable regulatory requirements. Pavement restoration will be in accordance with the Public Works Department (PW) standards.

Staff has coordinated with PW regarding the allowable working hours for the project. The work will generally occur during normal daytime working hours. However, while school is in session, work hours will be restricted to off-peak daytime hours for the work occurring in the immediate vicinity of various schools along the project alignment to minimize impact to the schools.

Staff separated the project into two separate bid schedules to provide flexibility for awarding the work associated with abandoning the existing unused Techite pipeline in Monroe Street, depending on the actual bid prices received and available budget. Schedule “A” includes the work associated with installing the new recycled water pipeline. Schedule “B” includes the work associated with abandoning the existing unused Techite pipeline in Monroe Street. The bid documents stipulate that, if awarded, each schedule will be awarded on the basis of the lowest responsive and responsible bid received for each schedule. This approach was used to motivate bidders to provide competitive pricing for both bid schedules. Based on the favorable pricing received, staff recommends awarding both bid schedules.

Bid RPU-7465 was advertised on March 21, 2017, and the bids were opened on April 26, 2017. Eight construction contractors submitted bids. Staff has determined that the lowest bid, submitted by MNR Construction, Inc., is non-responsive due to the fact that it was missing key elements (i.e. Non-Collusion Declaration, Iran Contracting Act Compliance Affidavit, proposal documents, Good Faith Effort, contractor qualifications, etc.) as required by the contract documents. Staff has determined that the lowest responsive bid for each of the two bid schedules was submitted by Trautwein Construction, Inc. Staff has reviewed all provided documentation and has determined that Trautwein Construction, Inc. has met all of the requirements of the specifications.

The eight bids received are summarized in the following tables. The tables are organized according to each bid schedule, and the individual bids are tabulated in order of lowest to highest:

SCHEDULE “A”

	<u>COMPANY</u>	<u>CITY LOCATION</u>	<u>BID TOTAL</u>
1.	MNR Construction Inc. (NON-RESPONSIVE)	Baldwin Park, CA	\$6,676,400.00
2.	Trautwein Construction, Inc.	Riverside, CA	\$6,976,859.00
3.	DDH Apple Valley Construction, Inc.	Apple Valley, CA	\$7,474,749.50
4.	Downing Construction, Inc.	Redlands, CA	\$7,480,310.00
5.	Weka, Inc.	Highland, CA	\$7,799,501.00
6.	C.P. Construction Co., Inc.	Ontario, CA	\$8,172,028.00
7.	CCL Contracting, Inc.	Escondido, CA	\$8,673,938.00
8.	Colich & Sons L.P.	Gardena, CA	\$9,712,530.00

► *Engineer's Construction Cost Estimate \$7,088,000*

SCHEDULE “B”

	<u>COMPANY</u>	<u>CITY LOCATION</u>	<u>BID TOTAL</u>
1.	Trautwein Construction, Inc.	Riverside, CA	\$185,601.00
2.	Colich & Sons L.P.	Gardena, CA	\$251,000.00
3.	CCL Contracting, Inc.	Escondido, CA	\$297,200.00
4.	MNR Construction Inc. (NON-RESPONSIVE)	Baldwin Park, CA	\$307,300.00
5.	Weka, Inc.	Highland, CA	\$349,820.00
6.	Downing Construction, Inc.	Redlands, CA	\$368,200.00
7.	DDH Apple Valley Construction, Inc.	Apple Valley, CA	\$442,332.00
8.	C.P. Construction Co., Inc.	Ontario, CA	\$789,050.00

► *Engineer's Construction Cost Estimate \$260,000*

This project is in line with Riverside Public Utilities' (RPU) infrastructure road map and Utility 2.0 and directly benefits RPU water customers by augmenting existing supplies of water with recycled water.

The project breakdown is as follows:

Project Breakdown:	
Engineering Performed By:	RPU Engineering staff
Construction To Be Performed By:	Trautwein Construction, Inc.
Anticipated Start Date:	July 2017
Anticipated Duration:	13 months
Coordination Required With:	<ul style="list-style-type: none"> ▪ RPU Field Forces ▪ Public Works ▪ Caltrans ▪ Union Pacific Railroad ▪ BNSF Railroad ▪ Metropolitan Water District of Southern California ▪ California Department of Water Resources, Division of Drinking Water
Reimbursements:	<ul style="list-style-type: none"> ▪ Grant from the Santa Ana Watershed Project Authority (SAWPA) in the amount of \$1,000,000 (\$500,000 upon completion of each phase) ▪ Possible funding through the Water Recycling Funding Program (WRFPP)

The Purchasing Services Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 22576.

The total capital expenditure for Work Order No. 1521905 is estimated to be \$8,609,000 as summarized in the following table:

Description	Cost	Percent of Total
Construction (Trautwein Construction, Inc.)	\$7,162,460	83.2%
Construction Contingencies	\$171,625	2.0%
City Forces Construction Support	\$200,000	2.3%
Construction Management and Engineering Support	\$224,915	2.6%
Inspection and Geotechnical Testing	\$350,000	4.1%
Increase to Work Order	\$8,109,000	
Original Work Order amount for upfront Design and Utility Potholing, authorized January 22, 2016	\$500,000	5.8%
Revised Work Order Total	\$8,609,000	100.0%

FISCAL IMPACT:

Sufficient funds are available in the Public Utilities' Recycled Water Facilities Account No. 6230000-470811 (Recycled Water Facilities – \$8,409,000) and the Public Utilities' Maintenance/Repair of Buildings and Improvements Account No. 6205000-424130 (Techite Pipeline Abandonment – \$200,000).

Prepared by: Todd L. Jorgenson, Utilities Assistant General Manager/Water
 Approved by: Girish Balachandran, Utilities General Manager
 Approved by: John A. Russo, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
of funds:

Laura Chavez-Nomura, Utilities Assistant General Manager/Finance

Attachments:

1. Presentation
2. Bid Award Recommendation

