



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: MAY 2, 2023**

FROM: PUBLIC WORKS DEPARTMENT **WARDS: 6 AND 7**

**SUBJECT: BID NO. 7928 – MAGNOLIA AVENUE SEWER FORCE MAIN REHABILITATION
– REJECT ALL BIDS**

ISSUE:

The issue for City Council consideration is to reject all bids and release related bid bonds received for the rehabilitation of the Magnolia Avenue sewer force main improvements.

RECOMMENDATIONS:

That the City Council reject all bids and release related bid bonds received for Bid No. 7928 – Magnolia Avenue Sewer Force Main Rehabilitation.

BACKGROUND:

The Magnolia Avenue sewer force main is a pressurized 24-inch cement mortar lined and coated (CML&C) steel pipe that has been in service since 1983. The 13,860 feet of pipe carries approximately 25% of the City's sewage from the Pierce Street sewer pump station along Magnolia Avenue to the outlet manhole located at the end of the cul-de-sac on Megginson Street. From there, the flow becomes gravity and meanders its way to the Riverside Water Quality Control Plant (RWQCP). Recent inspection of the force main showed moderate to severe corrosion of the pipe wall and thinning of the cement mortar line. To prevent catastrophic failure of the force main, a new liner will need to be installed inside of the existing pipe to enhance its structural integrity.

DISCUSSION:

On February 2, 2023, Bid No. 7928 for the rehabilitation of the Magnolia Avenue Sewer Force Main ("Project") was posted on PlanetBids to install cured in place pipe (CIPP) liner inside the existing pressurized pipe.

On February 24, 2023, two bids were received for the construction of the Project (Attachment 1). The bids were \$7,549,125 and \$7,885,387, which are 32% to 38% over the Engineer's Estimate. The Public Works Department reviewed the bid proposals, the questions asked during the bidding period, and believes the City would be able to attract more competitive bids for the Project if the specifications are revised to increase the construction working days. Staff will also review other

CIPP manufacturers' qualifications and if their products meet the requirements, they will be included as qualified products to increase the competitiveness for better pricing.

As a result, Public Works is recommending that the City Council reject all bids, release all related bid bonds, and direct the Public Works Department to revise the bid documents and re-advertise the Project for bids.

The Purchasing Manager concurs that the recommendation to reject is in compliance with Purchasing Resolution 23914.

STRATEGIC PLAN ALIGNMENT:

This Project aligns to **Strategic Priority No. 6 – Infrastructure, Mobility and Connectivity** and **Goal No. 6.2** – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

1. **Community Trust** – This Project proposes to rehabilitate sewer infrastructures on Magnolia Avenue between Pierce Street and Megginson Lane to serve the communities, residents, and businesses on the west side of the City to ensure reliable sewer services.
2. **Equity** – The Project will provide a higher degree of sewer service reliability and lower the chance of pipe failure, which will benefit all residents and businesses on the west side of the City.
3. **Fiscal Responsibility** – By rejecting the bids and re-advertise the project, the City is fiscally responsible in soliciting the lowest responsive and responsible bidder for the construction of this Project.
4. **Innovation** – This Project will be re-advertised on PlanetBids, which is an internet-based platform that allows for a wider exposure to potential contractors compared to the conventional local newspaper advertisement. Furthermore, by using CIPP, which is a trenchless technology to rehabilitate existing pipe, the Project is taking advantage of the high tech equipment available today to achieve the desirable results.
5. **Sustainability & Resiliency** – By advertising this Project on PlanetBids, the City eliminates the use of printed hard copy documents, which saves papers and translate to a greener and more sustainable practice.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

Prepared by:	Gilbert Hernandez, Public Works Director
Certified as to availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney
Attachment:	Bid Rejection Recommendation