



# Orange County Sanitation District

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## OPERATIONS COMMITTEE

### Agenda Report

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**File #:** 2020-1150

**Agenda Date:** 7/22/2020

**Agenda Item No:** 4.

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**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**NATURAL GAS PIPELINES REPLACEMENT AT PLANT NOS. 1 AND 2, PROJECT NO. J-127**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for Natural Gas Pipelines Replacement at Plant Nos. 1 and 2, Project No. J-127;
- B. Reject the bid from apparent low bidder, Well Anchored Inc., as non-responsive;
- C. Award a Construction Contract to Innovative Construction Solutions for Natural Gas Pipelines Replacement at Plant Nos. 1 and 2, Project No. J-127, for a total amount not to exceed \$745,500; and
- D. Approve a contingency of \$74,550 (10%)

**BACKGROUND**

The natural gas systems at Orange County Sanitation District's (Sanitation District) Plant Nos. 1 and 2 feed onsite services including buildings and plant processes, as well as the Central Generation systems which utilize both natural gas and digester gas to produce electric power. Over time, the natural gas piping system has been built, modified, and expanded by various projects.

**RELEVANT STANDARDS**

- Maintain a proactive asset management program
- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive bidder

**PROBLEM**

Recent condition assessments of the current natural gas piping have revealed that some of the metallic piping and risers have reached the end of their useful life due to corrosion.



both responsive and responsible. A notice was sent to all bidders on May 26, 2020, informing them of the intent of Sanitation District staff to recommend award of the Construction Contract to Innovative Construction Solutions.

Staff recommends awarding a construction contract to the lowest responsive, responsible bidder, Innovative Construction Solutions, for a total amount not to exceed \$745,500.

## **CEQA**

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 because the project involves repairs, replacement, and or minor alteration of existing facilities involving no expansion of use or capacity. A Notice of Exemption will be filed with the OC Clerk-Recorder after the Sanitation District's Board of Directors approves the Construction Contract.

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted, (FY 2020-2021 and 2021-2022, Section 8, Page 41) and the project budget is sufficient for the recommended action.

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- J-127 Construction Contract