



# OPERATIONS COMMITTEE

Headquarters Building  
18480 Bandilier Circle  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

---

**File #:** 2023-2987

**Agenda Date:** 11/6/2024

**Agenda Item No:** 9.

---

**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Director of Engineering

**SUBJECT:**

**SOUTH PERIMETER WALL AND SOIL IMPROVEMENTS AT PLANT NO. 2, CONTRACT NO. P2-128A AS PART OF DIGESTER REPLACEMENT AT PLANT NO. 2, PROJECT NO. P2-128**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for South Perimeter Wall and Soil Improvements at Plant No. 2, Contract No. P2-128A;
- B. Accept the formal bid withdrawal request received on September 5, 2024, from the initial lowest bidder, Steve P. Rados, Inc. and receive and file the response to request;
- C. Award a Construction Contract Agreement to Ames Construction, Inc., for South Perimeter Wall and Soil Improvements at Plant No. 2, Contract No. P2-128A as part of Digester Replacement at Plant No. 2, Project No. P2-128, for a total amount not to exceed \$25,270,000; and
- D. Approve a contingency of \$2,527,000 (10%).

**BACKGROUND**

The Orange County Sanitation District (OC San) Plant No. 2 is protected by an existing chain link fence along the south side of the plant, adjacent to the Talbert Marsh. The 2019 Climate Resiliency Plan identified a need for a new perimeter wall to protect the plant from future flooding, tsunamis, and sea level rise threats. In addition, in 2019 the Seismic Evaluation of Structures at Plant Nos. 1 and 2 identified lateral spread as a concern, where soil can slide into the Talbert Marsh during a seismic event. Finally, to better secure our facilities, OC San developed new security standards that includes perimeter wall lighting and camera upgrades.

**RELEVANT STANDARDS**

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Protect OC San assets

**PROBLEM**

The existing fence along the south side of Plant No. 2 will not protect the facilities from lateral spread or climate threats and does not meet OC San’s security requirements.

**PROPOSED SOLUTION**

Award a Construction Contract Agreement to replace the perimeter chain link fence along the Talbert Marsh with a cast-in-place concrete wall and engineered footing system.

**TIMING CONCERNS**

The construction area of this wall overlaps with the construction area of the future Digester Replacement, Project No. P2-128. The digester replacement may be delayed if the construction of this wall is not finished.

**RAMIFICATIONS OF NOT TAKING ACTION**

The wall will not provide the protection required by OC San’s Climate Resilience plan and will not provide the required site security. The area will also remain subject to lateral spread in a seismic event.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San advertised Project No. P2-128A for bids on July 3, 2024, and seven sealed bids were received on August 28, 2024. A summary of the bid opening follows:

Engineer’s Estimate Bidder	Amount of Bid
Steve P. Rados, Inc.	\$23,680,000
Ames Construction, Inc.	\$25,270,000
J.F. Shea Construction, Inc.	\$28,314,000
Kiewit Infrastructure West Co.	\$30,427,000
Shimmick Construction Company Inc.	\$30,995,000
Myers & Sons Construction LLC	\$34,730,000
Reyes Construction, Inc.	\$36,372,400

On September 5, 2024, the apparent low bidder, Steve P. Rados, Inc. (Rados) submitted a letter requesting to withdraw its bid and return of its bid security due to clerical error, pursuant to Public Contract Code section 5100 et seq. After consultation with OC San Counsel, Rados was informed that a recommendation would be made to the Board of Directors to approve Rados’ request to withdraw its Bid and for the return of its Bid Bond.

The next two low bidders were evaluated in accordance with the OC San's policies and procedures. A notice was sent to all bidders informing them of the intent of OC San staff to recommend award of the Construction Contract Agreement to Ames Construction, Inc.

Staff recommends awarding a Construction Contract Agreement to the lowest responsive and responsible bidder, Ames Construction, Inc., for a total amount not to exceed \$25,270,000.

## **CEQA**

The project is included in the Addendum to the Final Program Environmental Impact Report for Biosolids Master Plan, State Clearinghouse No. 2017071026.

## **FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget FY 2024-25 and 2025-26, Section 8, Page 70, Digester Replacement at Plant No. 2, Project No. P2-128) and the budget is sufficient for the recommended action.

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- P2-128A Formal bid withdrawal request - Steve P. Rados
- P2-128A Formal bid withdrawal request - OC San's Response to Steve P. Rados
- Construction Contract Agreement
- Presentation

SN:lb