



# OPERATIONS COMMITTEE

## Agenda Report

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**File #:** 2024-4005

**Agenda Date:** 12/18/2024

**Agenda Item No:** 10.

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

**SUBJECT:**

**NEWHOPE-PLACENTIA SEWER MANHOLE REPLACEMENTS, PROJECT NO. FE21-08**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for Newhope-Placentia Sewer Manhole Replacements, Project No. FE21-08;
- B. Award a Construction Contract Agreement to Sancon Technologies, Inc., for Newhope-Placentia Sewer Manhole Replacements, Project No. FE21-08, for a total amount not to exceed \$406,730; and
- C. Approve a contingency of \$81,346 (20%).

**BACKGROUND**

The Orange County Sanitation District (OC San) operates an extensive network of sewer infrastructure, and as part of its ongoing maintenance and modernization efforts, three manholes in the Newhope-Placentia Trunk Sewer (NHP) system were identified for potential replacement. Originally constructed in 1958, these manholes had sustained significant deterioration due to hydrogen sulfide corrosion, a common issue in wastewater systems. However, after a more detailed evaluation, it was determined that rather than full replacement, the manholes could be rehabilitated to meet modern standards and extend their functional lifespan.

**RELEVANT STANDARDS**

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Commitment to safety & reducing risk in all operations

**PROBLEM**

Three NHP manholes are severely corroded. Hydrogen sulfide corrosion has eroded the concrete extensively, leaving the reinforcing rebar exposed.

**PROPOSED SOLUTION**

Award a construction contract agreement for Newhope-Placentia Sewer Manhole Replacements, Project No. FE21-08. This project will rehabilitate the three manholes to extend their service life ranging between 25 to 50 years depending on the rehabilitation approach.

A 20% contingency is requested due to the higher level of risk associated with concrete repair and unforeseen conditions. If an unknown condition is encountered and there is insufficient contingency, contract completion could be significantly delayed and expose OC San to extended overhead costs by the contractor.

**TIMING CONCERNS**

The manholes are in an advanced state of degradation and continue to corrode over time. Timely approval of this contract will allow for prompt rehabilitation, helping to ensure the trunk sewer remains safe and fully operational.

**RAMIFICATIONS OF NOT TAKING ACTION**

If no action is taken, the manholes will continue to deteriorate, increasing the risk of requiring full replacement at a significantly higher cost and impact to OC San.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San advertised Project No. FE21-08 for bids on August 14, 2024, and four sealed bids were received on October 9, 2024. A summary of the bid opening follows:

Engineer's Estimate	\$ 410,000
<u>Bidder</u>	<u>Amount of Bid</u>
Sancon Technologies, Inc.	\$ 406,730
Ayala Engineering	\$ 479,615
CEM Construction Corporation	\$ 483,000
Minako America Corporation	\$ 667,000

The bids were evaluated in accordance with OC San's policies and procedures. A notice was sent to all bidders on October 31, 2024, informing them of the intent of OC San staff to recommend award of the Construction Contract Agreement to Sancon Technologies, Inc.

Staff recommends awarding a Construction Contract Agreement to the lowest responsive and responsible bidder, Sancon Technologies, Inc., for a total amount not to exceed \$406,730.

**CEQA**

The project is exempt from CEQA and a Notice of Exemption will be filed with the OC Clerk-Recorder and State Clearing House after the OC San Board of Directors approval of the Construction Contract Agreement.

**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 49, Small Construction Projects Program, Project No. M-FE) 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:*

- Construction Contract Agreement

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