



# Orange County Sanitation District

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## OPERATIONS COMMITTEE

### Agenda Report

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**File #:** 2019-515

**Agenda Date:** 11/6/2019

**Agenda Item No:** 10.

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

**SUBJECT:**

**CARBON CANYON PIPELINE SAG REPAIRS, PROJECT NO. FE17-01**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for Carbon Canyon Pipeline Sag Repairs, Project No. FE17-01;
- B. Reject low bid from Creative Home Corporation (CHI Construction) as non-responsive;
- C. Award a construction contract to Mike Prlich and Sons, Inc. for Carbon Canyon Pipeline Sag Repairs, Project No. FE17-01, for a total amount not to exceed \$510,000; and
- D. Approve a contingency amount of \$51,000 (10%).

**BACKGROUND**

The Orange County Sanitation District (Sanitation District) owns and maintains a trunk sewer that drains a portion of the northeast section of Brea. A segment of this sewer line is located east of Rose Drive and South of Carbon Canyon Road.

During a CCTV inspection of the Carbon Canyon trunk sewer, segments of the vitrified clay pipe installed in 2008 were found to be badly deteriorated as a result of a material defect and required immediate repair. The pipe was repaired in 2017 using cure-in-place pipe liner.

The Sanitation District is pursuing compensation from the manufacturer of the defective clay pipe installed under an earlier project, including the cost of this repair.

**RELEVANT STANDARDS**

- Achieve less than 2.1 sewer spills per 100 miles
- Comply with California Public Contract Code Section 20103.8: award construction to lowest responsive, responsible bidder

**PROBLEM**

While performing the 2017 pipe repair, the crown of the vitrified clay pipe partially collapsed at two locations causing sags on the crown of the liner. These sags impede high flows and impact cleaning and maintenance operations.

**PROPOSED SOLUTION**

Implement Carbon Canyon Pipeline Sag Repairs, Project No. FE17-01, which will replace approximately 200 feet of 33-inch vitrified clay pipe.

**TIMING CONCERN**

The schedule driver for this project is to repair the affected segment of the pipeline and restore hydraulic capacity before flows exceed the reduced capacity.

**RAMIFICATIONS OF NOT TAKING ACTION**

If a contract is not awarded, this segment of the pipeline will result in a loss of hydraulic capacity and prevent cleaning of the line.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

The Sanitation District advertised Carbon Canyon Pipeline Sag Repairs, Project No. FE17-01, for bids on June 10, 2019. Four sealed bids were received on August 27, 2019.

Summary information on the bid opening is as follows:

Engineer's Estimate	\$380,000
<u>Bidder</u>	<u>Amount of Bid</u>
Creative Home Corporation (CHI Construction)	\$367,500
Mike Prlich and Sons, Inc.	\$510,000
Charles King Company	\$581,000
Clark Contracting Corp.	\$597,025

The bids were evaluated in accordance with the Sanitation District's policies and procedures. After evaluation, CHI Construction, the apparent low bidder, was found to be non-responsive to the experience requirements. Invitation for Bid (IFB) required Bidders to list projects which demonstrate that Bidders had at least ten years of pipeline construction and rehabilitation experience for pipe diameters 15 inches and larger of vitrified clay pipe, reinforced concrete pipe, or fiberglass reinforced

pipe. CHI Construction listed a total of five projects, two of which met the pipe type, one of which did not meet the minimum diameter, and the other did not include a completion date and final contract value. Both were removed from consideration. The three remaining projects listed did not meet any of the pipeline experience requirements.

Staff proceeded with the clarification process and reached out to CHI Construction. Staff confirmed with CHI Construction that the projects listed in their bid did not meet the experience requirements. Therefore, CHI Construction bid was found non-responsive.

An evaluation of the second apparent low bidder, Mike Prlich and Sons, Inc., determined the bid to be both responsive and responsible. Staff recommends rejecting the CHI Construction bid as non-responsive and awarding a Construction Contract to the lowest responsive and responsible bidder, Mike Prlich and Sons, Inc., for a total amount not to exceed \$510,000.

## **CEQA**

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations sections 15301 because the project involves repairs and replacement of existing facilities involving no expansion of use or capacity. A Notice of Exemption will be filed with the OC Clerk-Recorder office following award of this Construction Contract by the Board.

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted. (Line item: Budget Update, FY 2019-20, Small Construction Projects Program (M-FE) Page A-8). The budget is sufficient for the recommended action.

## **ATTACHMENTS**

*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:*

- Construction Contract

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