



## Agenda Report Details (With Text)

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**Title:** ORANGE-WESTERN SUB-TRUNK REHABILITATION, CONTRACT NO. 3-64A

**Sponsors:** Kathy Millea

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**Attachments:** 1. Agenda Report, 2. Item 7 PPP, 3. File Summary

Date	Ver.	Action By	Action	Result
11/4/2020	1	OPERATIONS COMMITTEE		

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

**SUBJECT:**

**ORANGE-WESTERN SUB-TRUNK REHABILITATION, CONTRACT NO. 3-64A**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for Orange-Western Sub-Trunk Rehabilitation, Contract No. 3-64A; and
- B. Reject all bids and direct staff to combine the work for Orange-Western Sub-Trunk Rehabilitation, Contract No. 3-64A, into a single bid package with Los Alamitos Trunk Sewer Rehabilitation, Contract No. 3-64B.

**BACKGROUND**

Rehabilitation of Western Regional Sewers, Project No. 3-64, is a program to replace or rehabilitate regional sewers in the Orange County Sanitation District's (Sanitation District) northwestern service area including the cities of Los Alamitos, Cypress, La Palma, Buena Park, Anaheim, Seal Beach, and Rossmoor, an unincorporated area. These sewers range in age from 40 to 60 years and require mid-life refurbishment to attain their full-service life. To manage public impacts and resource demands, the work has been divided into three construction contracts to be completed on separate schedules.

Orange-Western Sub-Trunk Rehabilitation, Contract No. 3-64A, would rehabilitate 2.5 miles of 21-inch pipe along Orange Avenue between Valley View Street and Western Avenue and along Western Avenue between Orange Avenue and Santa Elena Drive in the cities of Anaheim, Cypress, and

Buena Park.

Los Alamitos Trunk Sewer Rehabilitation, Contract No. 3-64B, will rehabilitate 6 miles of 24-inch through 39-inch pipe sewer in the cities of Seal Beach, Los Alamitos, and Cypress. This contract is scheduled to be advertised for construction in January 2021, with construction starting in May 2021.

Cypress Trunk Sewer Rehabilitation, Contract No. 3-64C, will rehabilitate or upsize 36,000 feet of sewers in the cities of Cypress, Los Alamitos, and La Palma. Detailed design of this contract is scheduled to start in January 2021, with construction starting in September 2022.

## **RELEVANT STANDARDS**

- Achieve less than 2.1 sewer spills per 100 miles
- Comply with California Public Contract Code Section 20103.8: Award contract to lowest responsive, responsible bidder.
- Ensure the public's money is wisely spent

## **PROBLEM**

On August 18, 2020, only two bids were received for Orange-Western Sub-Trunk Rehabilitation, Contract No. 3-64A. The low bid, from Teichert Energy & Utilities Group, Inc., was found to be non-responsive because it did not meet safety submittal requirements as stated in the Invitation for Bid (IFB). The other bid, from Kiewit Infrastructure West Co., was found to be responsive and responsible, but the bid was \$4.1 million, or 61 percent, higher than the Engineer's Estimate.

The contract could be rebid with some changes made to make it more attractive to bidders. However, the bid period would overlap with Los Alamitos Trunk Sewer Rehabilitation, Contract No. 3-64B. That contract involves very similar work, and the two contracts would be competing for the same bidders.

## **PROPOSED SOLUTION**

Reject all bids for Orange-Western Sub-Trunk Rehabilitation, Contract No. 3-64A, and include the work into the same construction contract for Los Alamitos Trunk Sewer Rehabilitation, Contract No. 3-64B. The larger construction contract should be more attractive to general contractors, and construction management and inspection efforts may be reduced due to economies of scale. The two packages are approximately five miles apart, so there should be no overlapping public impacts.

## **TIMING CONCERNS**

The Contract No. 3-64A work was originally separated out because it was expected to be started well before the Contract No. 3-64B work. Contract No. 3-64B is scheduled to be advertised for construction in January 2021, with construction starting in May 2021.

## **RAMIFICATIONS OF NOT TAKING ACTION**

Board action is required by the California Public Contract Code to either award the contract as advertised, or to reject all bids.



**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:*

- Presentation