



Agenda Report

File #: 2024-3405, Version: 1

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

SUBJECT:

REIMBURSEMENT AGREEMENT FOR ORANGE COUNTY SANITATION DISTRICT MANHOLE FRAME AND COVER ADJUSTMENTS ON PACIFIC COAST HIGHWAY IN THE CITY OF NEWPORT BEACH

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the Reimbursement Agreement with the City of Newport Beach titled "Reimbursement Agreement (Orange County Sanitation District Manhole Adjustment)" for an amount not to exceed \$689,699 for Orange County Sanitation District manhole frame and cover adjustments on Pacific Coast Highway in the City of Newport Beach in a form approved by Special Counsel.

BACKGROUND

Caltrans is performing street improvements on the Pacific Coast Highway from the Santa Ana River to Jamboree Road in the City of Newport Beach for a total bid amount of \$10,440,096. This project generally consists of asphalt pavement resurfacing and associated improvements within the existing right-of-way. The City of Newport Beach (City) and the Orange County Sanitation District (OC San) are responsible for adjusting the elevation of their existing manholes and valve boxes within the public right of way to maintain road safety and system function.

RELEVANT STANDARDS

- Protect OC San assets
- Maintain collaborative and cooperative relationships with regulators, stakeholders, and neighboring communities
- Ensure the public's money is wisely spent

PROBLEM

OC San owns 103 manholes and 15 valve boxes within the limits of the Caltrans work area. These manholes and valve boxes require adjustment to a final grade after the pavement is resurfaced to maintain road safety and sewer accessibility. The City also has similar utility access points that must also be adjusted for the Caltrans work.

PROPOSED SOLUTION

Perform the adjustment work as a combined project with the City, separate from the Caltrans project. Enter into a reimbursement agreement with the City to have them execute the project. OC San will provide the manhole frames and covers to the City and perform inspection services to ensure the construction is in conformance with OC San standards. It is anticipated that work will begin in September 2024.

TIMING CONCERNS

The Caltrans work impacting OC San’s assets is expected to begin in September 2024.

RAMIFICATIONS OF NOT TAKING ACTION

If OC San takes no action, manhole frames and covers may be damaged, buried, or uneven with the finished road surface after the completion of the Project. These scenarios pose safety hazards for public drivers.

If OC San decides to publicly bid and perform the work at a later date, it is likely to cost more, access to some OC San facilities may be reduced until the work is complete, and there will be additional street closures that would impact the public.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

To efficiently execute and coordinate the adjustment work and minimize the impact to the public, the City and OC San agreed to execute a combined project. The City will manage the execution of the project and will coordinate inspections with OC San.

The City advertised Invitation No. 9417-1, West Coast Highway Joint Manhole and Valve Adjustments Project, for bids on November 15, 2023, and four sealed bids were received on December 13, 2023. A summary of the bid opening follows:

Engineer’s Estimate	\$ 1,026,000
<u>Bidder</u>	<u>Amount of Bid</u>
R.J. Noble Company	\$ 922,925
All American Asphalt	\$ 1,154,100
Teichert Energy & Utilities Group, Inc.	\$ 1,424,840
Manhole Adjustment Inc.	\$ 3,468,550

OC San’s reimbursement amount of \$689,699 includes OC San’s portion of the work, a 5% management fee for the City to manage the project, and a 20% construction contingency (consistent with the City’s approach) to account for unknown conditions that may be discovered during performance of the work.

CEQA

CEQA compliance falls under the City's project.

FINANCIAL CONSIDERATIONS

This recommendation will be funded under the Repairs and Maintenance line item for the Operations and Maintenance Department Fiscal Years FY 2024-2025 budget, which will be approved by the Board in June 2024. No work will be completed until the approval of the OC San 2024-25 Operating Budget in June 2024.

ATTACHMENT

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

- Reimbursement Agreement