

Agenda Report

File #: 2019-481, **Version:** 1

FROM: James D. Herberg, General Manager
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SUBJECT:

ANNUAL MANHOLE FRAME AND COVER REPAIR CONTRACT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for Ayala Engineering for Manhole Frame Cover Replacement Services, Specification No. S-2019-1055BD.
- B. Award a Service Contract to Ayala Engineering to provided Manhole Frame & Cover Replacement Services, Specification No. S-2019-1055BD, for a total amount not to exceed \$390,220 for the period beginning November 1, 2019 through October 31, 2020, with four optional one-year renewals; and
- C. Approve an annual contingency of \$58,533 (15%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) owns approximately 5,000 manholes throughout Orange County. Occasionally, manholes need repair or replacement due to corrosion, settling, age, or due to street repaving. The Sanitation District staff previously implemented an annual repair contract that has since expired. Public safety requires worn manhole frame and covers to be repaired in a timely manner. In addition, when street repaving occurs, the Sanitation District is required to reset its manhole frames and covers to match the new street elevation.

RELEVANT STANDARDS

- Operate and maintain facilities to minimize impacts on surrounding communities, including odor, noise, and lighting
- Protect Orange County Sanitation District assets
- Maintain a proactive asset management program

PROBLEM

The majority of the Sanitation District's manhole frames and covers are in city streets. There tends to be little notice before necessary repairs are needed. The nature of this work requires specialized

training and equipment that the Sanitation District outsources rather than hire staff to serve a standby function. The previous manhole frame and cover contract expired at the end of the 2017-18 fiscal year. A similar blanket service contract was bid in the summer of 2018. Unfortunately, the awarded low bidder in September 2018, Zeco, Inc., was unable to meet Sanitation District insurance requirements. Without a new contract in place, the manhole repair and replacement program will fall behind.

PROPOSED SOLUTION

It is impossible to exactly quantify how many repairs or manhole adjustments will be required in any one year. The bid is based on an estimated quantity of typical repair types and traffic control services based on historical need. The services will be used on an as-needed basis at the bid unit cost rates.

Award a new manhole frame and cover repair contract with four annual renewals to Ayala Engineering, Inc.

TIMING CONCERNS

A new contract is recommended as soon as possible to assure timely repairs can be made in city streets.

RAMIFICATIONS OF NOT TAKING ACTION

Urgent replacements by individual contracts might not be bid and tend to be more expensive than an annual blanket manhole frame and cover repair contract which is bid. In addition, a backlog of unaddressed repairs will eventually become a public safety issue.

PRIOR COMMITTEE/BOARD ACTIONS

September 2018 - Operations Committee awarded a contract to Zeco, Inc. who was found to be the lowest bidder. Zeco, Inc. was unable to meet the Sanitation District's insurance requirements.

ADDITIONAL INFORMATION

A Notice Inviting Bids was issued on May 1, 2019 via PlanetBids and closed on June 4, 2019. The Sanitation District received two bids. The estimate for this procurement was \$250,000 and the lowest bid was \$390,220.

Company Name	Bid
Ayala Engineering	\$ 390,220
W.A. Rasic	\$1,683,250

Ayala Engineering was found to be the lowest responsive and responsible bidder.

A contingency of 15% is requested because the quantity of work per year is not fixed. The total cost is dependent on the number of manhole covers that are deemed in need of replacement by inspection and the unit cost differs by manhole size, material, and individual traffic control needs. In

addition, street repairs or improvement by others impact the total blanket contract utilization/cost.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted in the FY19-20 Budget Update, Operations and Maintenance Department Repairs & Maintenance line item (Page 47).

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
08/28/2019	\$390,220	\$58,533 (15%)

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Service Contract

DS:sr:qc