

City of Culver City, California
City Council Agenda Item Report

Date: 4/09/07		Item Number: <u>A-3</u>	
AGENDA ITEM: 1) Award a Construction Contract to DLSB, Inc., for the Eveward Road, Drakewood Avenue, Whitburn Avenue, Flaxton Street, Blackwelder Street, Smiley Drive, Northgate Street, Cranks Road, Commonwealth Alley, and Carson Street Sewer Improvement Projects; and 2) Approve a Professional Services Agreement with APD Consultants, Inc. for Construction Management and Inspection Services			
Contact Person/Dept.: Lee Torres/ Public Works		Phone Number: (310) 253-5623	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List via email on April 4 th and all immediately affected residents and business owners of project site (800 total), DLSB, Inc., and APD Consultants via First Class Postcard on March 30 th .			
Department Approval: Charles D. Herbertson (03/21/2007)		City Attorney Approval: Carol Schwab (by H. Iker) (04/02/2007)	
City Controller Approval: Marlee Chang (04/04/2007)		City Manager Approval: Jerry B. Fulwood (04/04/2007)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: (1) award a construction contract to DLSB, Inc. as the lowest responsive and responsible bidder to complete the necessary work for the Eveward Road, Drakewood Avenue, Whitburn Avenue, Flaxton Street, Blackwelder Street, Smiley Drive, Northgate Street, Cranks Road, Commonwealth Alley, and Carson Street Sewer Improvement Projects (P-839, 840, 841, 842, 854, 855, 773, & 860)-, and (2) approve a professional services agreement with APD Consultants, Inc. for Construction Management and Inspection Services. <u>BACKGROUND:</u> The plans and specifications and the authorization for advertising for bids for the aforementioned sewer improvement projects were approved by the City Council on the following dates: 1. Eveward Road, Drakewood Avenue, Whitburn Avenue, & Flaxton Street Sewer Improvement Projects, P-839, 840, 841, & 842 (August 22, 2005). 2. Blackwelder Street and Smiley Drive Sewer Improvement Projects, P-854 (August 14, 2006). 3. Northgate St and Cranks Rd Sewer Improvement Projects, P-855 (August 14, 2006).			

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4. Commonwealth Alley Sewer Improvement Projects, P-773 (September 11, 2006).
5. Carson Street Sewer Improvement Projects, P-860 (January 8, 2007).

On May 22, 2006, the City Council rejected the bids received for Eveward Road, Drakewood Avenue, Whitburn Avenue, and Flaxton Street Sewer Improvement Projects, P-839, 840, 841, & 842 due to bid results that greatly exceeded the budget. The City Council was informed that staff will re-evaluate the Sewer Improvement Project to determine the best possible cost savings. Also, in order to obtain more favorable bids for construction, it was recommended to the City Council that the project be advertised with other upcoming sewer improvement projects that were currently in the design phase in order to generate a higher interest and greater economy of scale.

Upon careful review of the project plans, it was determined that the reduction of the length of the sewer laterals and usage of alternative backfill material were changes that did not compromise the construction standards and diminish the quality of the sewer improvement project. These design changes resulted in approximately a \$400,000 reduction in construction cost based on the revised engineer's estimate.

Scope of Work

The scope of work for sewer improvements projects consist of the following:

On August 20, 2001, a Citywide Sewer Video Analysis and Condition Assessment Study was conducted. This study was recently updated on June 29, 2004. Approximately 85 miles of the City's sewer lines were video inspected. The Condition Assessment Study categorized the City's sewer main lines into four groups; "A", "B", "C", & "D". Group "A" represents the highest priority ranking for replacement and Group "D" represents the lowest.

Based on the Conditions Assessment Study, the existing 6", 8", 10", & 12" Vitrified Clay Pipe (VCP) sewer mains along the following streets were classified as Group "A", the highest priority requiring replacement:

1. Eveward Road from Bernardo Road to Ranch Road; (8" VCP, 315 lf)
2. Drakewood Avenue from Ranch Road to Flaxton Avenue; (8" VCP, 775 lf)
3. Flaxton Avenue from Overland Avenue to Drakewood Avenue; (8" VCP, 1660 lf)
4. Whitburn Avenue from Overland Avenue to Drakewood Avenue; (8" VCP, 810 lf)
5. Blackwelder Street from La Cienega Blvd to Ballona Creek, (8" VCP; 1040 lf)
6. Smiley Drive from Fairfax Avenue of Ballona Creek, (10" VCP ; 860 lf)
7. Northgate Street from Overland Avenue to Drakewood Avenue, (8" VCP; 990 lf)
8. Cranks Road from Hill Road north to Cul-de-sac, (8" VCP; 915 lf)
9. Commonwealth Alley from Culver Blvd to end of Commonwealth Alley, (12" & 8",

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1200 lf)

10. Carson Street from Ince Blvd to Higuera Street; 610 feet of the existing 6"

The scope of work consists of the removal of the existing 6", 8", 10", and 12" vitrified clay pipe (VCP) and constructing new 8", 10", and 12" Polyvinyl Chloride (PVC) sewer mains located at the above mentioned streets within the said limits. As part of the improvements, all sewer laterals will be replaced with 6" PVC to the street curb and minor pavement repairs will also be included. In street segments where no street curbs exist, sewer laterals will extend up to the property line.

DISCUSSION:

On March 2, 2007, the Deputy City Clerk publicly opened bids. There were a total of twenty-six (26) bid holders, with eleven (11) contractors responding with the following bid amounts:

	<u>CONTRACTOR</u>	<u>BID AMOUNTS</u>
1	DLSB, Inc.; Fontana, CA	\$2,501,084.20
2	Palp, Inc. dba Excel Paving; Long Beach, Ca	\$2,656,938.00
3	Garcia Juarez Construction Co.; Brea, CA	\$2,778,002.00
4	Vasilj, Inc.; Irwindale, Ca	\$2,855,043.00
5	Zondiros Corp.; Torrance, CA	\$2,930,296.99
6	Steve Bubalo Construction Co.; Monrovia, CA	\$3,420,093.00
7	Mike Prlich and Sons, Inc.; South El Monte, CA	\$3,581,113.00
8	Colich & Sons, L.P.; Gardena, CA	\$3,612,433.00
9	Mike Bubalo Construction Co.; Baldwin Park, CA	\$3,881,463.00
10	Clarke Construction Corp.; Lawndale, CA	\$4,034,986.70
11	Blois Construction, Inc.; Oxnard, CA	\$5,635,928.00

Staff reviewed the lowest bidder's bid proposal (DLSB, Inc.) and found the bid documents complete. The bonding information, contractor eligibility, and Worker's Compensation Insurance was reviewed and determined to meet City requirements.

DLSB, Inc. is a new company, but has completed several projects for other municipal and county agencies, such as the City of Pico Rivera, Los Angeles County Department of Public Works and Riverside County Flood Control & Water Conservation District. A representative from the City of Pico Rivera indicated that the Company performed in a professional manner, was very responsive and highly

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recommended them for future projects. Also the personnel in the company have many years of experience with pipeline construction working for other companies.

Based on a careful review of DLSB's bid documents, reference checks, personnel experience, and bonding and insurance requirements, staff is recommending awarding the construction contract to DSLB, Inc.

Cost Savings due to Combined Bid

Combining the ten (10) sewer improvement projects in one bid resulted in a significant cost savings to the City. The original bid, for example, for the Eeward Road, Drakewood Avenue, Whitburn Avenue, and Flaxton Street Sewer Improvement Project received in March 22, 2006 was in the amount of \$1,827,810. Based on the changes made to the project plans in April, 2006 and if the same unit prices were used from the bid received, the new bid amount should have been \$1,427,810.

The current bid received from DLSB, Inc. for Eeward Road, Drakewood Avenue, Whitburn Avenue, and Flaxton Street Sewer Improvement Project received was in the amount of \$941,069.20. Therefore, the combining of the several sewer replacement projects further reduced the construction cost by another \$486,741 for this project.

The result of the combined project in general reduced the unit prices for the majority of the costly bid items on the project, for example,

1. 8" PVC sewer main – approximately 68% less per linear foot
2. 6" PVC sewer lateral – approximately 45% less per linear foot
3. Asphalt – approximately 25% less per ton

Construction Management and Inspection Services

Under the Engineering Division's supervision and project management, staff is recommending that the construction management and construction inspection be performed by APD Consultants, Inc (APD) at a not to exceed cost of \$185,670.

A Request for Proposal was sent to the following consulting civil engineering firms with experience in construction management and inspection of pipeline construction:

1. Nickerson Company, Manhattan Beach, CA
2. CBM Consulting, Inc.; Gardena, CA
3. Bureau Veritas North America; Santa Ana, CA
4. APD Consulting, Inc.; Huntington Beach, CA

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Based on the proposals received, staff believes APD can provide the best service at the lowest hourly rate. Although a new company, their construction management and inspection team has extensive working experience on municipal pipeline projects. Staff from the City of Cypress and the City of Diamond Bar spoke favorably of the proposed construction management and inspection team and would recommend them for future projects.

The geotechnical construction services will be conducted by PSI Consultants, Inc. for the construction observation, compaction testing, and roadway pavement resurfacing testing under the approved general geotechnical services agreement with the City. It is estimated that the cost will be about \$85,860.

The start of construction will begin in May 2007 and is expected to be completed in October 2007. All City Department and affected residents will be notified.

FISCAL ANALYSIS:

Current Project Budget

PROJECT	AMOUNT
Eveward Road Sewer Improvement Project, P-839	\$104,054
Drakewood Avenue Sewer Improvement Project, P-840	\$499,764
Whitburn Avenue Sewer Improvement Project, P-841	\$206,895
Flaxton Street Sewer Improvement Project, P-842	\$221,586
Blackwelder Street and Smiley Drive Sewer Improvement Projects, P-854	\$496,920
Northgate St and Cranks Rd Sewer Improvement Projects, P-855	\$552,138
Commonwealth Alley Sewer Improvement Projects, P-773	\$412,318
Carson Street Sewer Improvement Projects, P-860	\$339,541
Total Project Budget	\$2,833,216

Proposed Bid

PROJECT	AMOUNT
Eveward Rd, Drakewood Av, Whitburn Av, & Flaxton St Sewer Improvement Project, P-839, 840, 841, & 842.	\$941, 069.20
Blackwelder Street and Smiley Drive Sewer Improvement Projects, P-854	\$405,460
Northgate St and Cranks Rd Sewer Improvement Projects, P-855	\$456,950

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Commonwealth Alley Sewer Improvement Projects, P-773	\$473,185
Carson Street Sewer Improvement Projects, P-860	\$224,420
Total Project Budget	\$ 2,501,084.20

ESTIMATED PROPOSED PROJECT EXPENSES	
Combined Sewer Improvement Project	\$2,501,084.20
Construction Management/ Inspection (7%)	\$185,670.00
Geotechnical Services (3%)	\$85,860.00
Total Estimated Project Cost	\$2,772,614.20
Contingency (6%)	\$150,000.00
Total Estimated Project Cost (w/ Contingency)	\$2,922,614.20

An additional \$89,400 would be required to sufficiently fund the contingency of the construction project.

Pursuant to the City Council adopted Budget Resolution, the City Manager can, should the City Council award the contract as recommended, approve a budget transfer in the amount of \$89,400 from the Farragut and Elenda Sewer Improvement Project, P-872 (20400872) to the project budget to adequately fund the contingency. Funds not expended after the construction phase will be returned to the Farragut and Elenda Sewer Improvement Project, P-872. The Farragut and Elenda project has sufficient budget to cover the transfer.

The breakdown of the funds for the Capital Improvement Budget for Fiscal Year 2005/06 and 2006/07 for the Combined Sewer Improvement Project is as follows,

Funding Source	Business Unit	Amount
Sewer Enterprise Fund	20400839	\$104,054
	20400840	\$499,764
	20400841	\$206,895
	20400842	\$201,586
	20400854	\$496,920
	20400855	\$532,138
	20400860	\$339,541
	20400773	\$412,318
Special Gas Tax	41800855	\$20,000
	41800842	\$20,000
Total Project Budget		\$2,833,216

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ATTACHMENTS:

1. Location Maps
2. APD Consultant Proposal
3. CBM Consulting Proposal
4. Nickerson Company Proposal

MOTION:

That the City Council:

- 1) Award a construction contract to DLSB, Inc. for the Sewer Improvement Projects (P-839, 840, 841, 842, 854, 855, 773, & 860), based on its bid amount of \$2,501,084.20;
- 2) Authorize the Public Works Director/City Engineer to approve change orders, if necessary, in an amount not-to-exceed \$150,000.00; and
- 3) Authorize the City Attorney to prepare the necessary documents and authorize the City Manager to execute the documents on behalf of the City.