



City of Culver City

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Staff Report

File #: 19-968, Version: 1

Item #: C-6.

1) Waiver of Irregularities/Clerical Errors in Ramona, Inc.'s Bid Proposal for the Construction of Diversion Sewer Pipes to Abandon Mesmer and Overland Sewer Pump Stations (PZ-946); (2) Rejection of Bid Protest Received on the Project; (3) Award of Construction Contract in the Amount of \$11,732,055 to Ramona, Inc. as the Lowest Responsive and Responsible Bidder for the Project; (4) Approval of a Professional Services Agreement in an Amount Not-to-Exceed \$419,865 to NV5 for Construction Management and Inspection Services; and (5) FOUR-FIFTHS VOTE REQUIREMENT: Approval of a Related Budget Amendment.

Meeting Date: March 18, 2019

Contact Person/Dept: Mate Gaspar/Public Works
Hong Wang/Public Works

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(310) 253-5604

Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☐ No ☒

Public Hearing: ☐ **Action Item:** ☐ **Attachments:** ☒

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (3/13/19);
All bidders (via email 03/13/19)

Department Approval: Charles D. Herbertson, (03/08/19)

RECOMMENDATION

Staff recommends the City Council 1) waive irregularities/clerical errors in Ramona, Inc.'s ("Ramona") bid proposal for the Construction of Diversion Sewer Pipes to Abandon Mesmer and Overland Sewer Pump Stations (PZ-946); (2) rejection of bid protest received on the Project; (3) award a construction contract in the Amount of \$11,732,055 to Ramona as the lowest responsive and responsible bidder for the Project; (4) approve a professional services agreement in an amount not-to-exceed \$419,865 to NV5 for construction management and inspection services; and (5) approve a related budget amendment **(requires a four-fifths vote)**.

BACKGROUND

Sewage pump stations are necessary in order to pump sewage from low lying areas to gravity systems at higher elevations that ultimately flow to the City of Los Angeles Hyperion Sewage Treatment Plant. The City of Culver City owns and maintains seven (7) sewage pump stations:

1. Braddock Station - 11285 Braddock Drive Reconstructed in 2011
2. Fox Hills Station - 5900 Sepulveda Boulevard Constructed in 1976
3. Bristol Station - 6399 Bristol Parkway Constructed in 1968
4. Jasmine Station - 4496 Jasmine Avenue Reconstructed in 1996
5. Hayden Station - 8620 Hayden Place Constructed in 1976
6. Mesmer Station - 5586 Mesmer Avenue Reconstructed in 1993
7. Overland Station - 5300 Overland Avenue Constructed in 1972

In 2008, an engineering study was conducted for the feasibility of consolidation of the pump stations and determined that it is possible to divert flows from four sewer pump stations to a new sewage pump station, Bankfield Station, located immediately southeast of the 405 and 90 freeways.

The consolidation of flows into a single pump station has several benefits, including (1) reducing energy and maintenance costs; (2) reducing the potential of sewer overflows by removing several older pump stations from operation; (3) freeing former pump stations for other uses (such as Mesmer for storm water diversion); and (4) reducing staff maintenance and monitoring costs. For this proposed Project (PZ-946), only the Mesmer Station and Overland Station will be diverted to the proposed Bankfield Station. The other two stations, Bristol and Fox Hills, will be diverted to the proposed Bankfield Station at a later date when sufficient funding becomes available. Also, the Mesmer Station is proposed to be repurposed to a low flow diversion project. The low flow diversion system will capture dry weather run-off from Centinela Creek into Mesmer Station where the run-off will be pumped into an existing sewer main for conveyance to City of Los Angeles' Hyperion Treatment Plant for treatment.

In October 2014, the City Council approved a contract with GHD for the final design of construction plans and specifications for the diversion pipelines.

The final design and preparation of construction plans and specifications consists of the following items:

Mesmer Sewer Pump Station Diversion

One portion of the diversion pipelines begins at the cul-de-sac of Etheldo Avenue and then continues along Etheldo Avenue, Port Avenue, Emporia Avenue, Emporia Place, Slauson Avenue, Jefferson Boulevard, Selmaraine Drive, and then turns into the alley where the new Bankfield Sewer Pump Station is being constructed. Also, portions of the sewer pipeline are under the 405 and 90 freeways and Caltrans has reviewed and approved the plans. The other portion of diversion pipelines is from the sewer pump station to the City of Los Angeles sewer line on Centinela Avenue. The proposed diversion pipeline is along Mesmer Avenue and Teale Street. City of Los Angeles has reviewed and approved the plans. Culver City will be responsible to maintain the sewer lines within the City of Los Angeles.

Overland Sewer Pump Station Diversion

The diversion pipelines will be constructed from the sewer pump station northerly on Overland Avenue to Jefferson Boulevard. The proposed diversion pipeline then continues westerly on Jefferson Boulevard, in the eastbound travel lanes, and ties to an existing sewer pipeline at intersection with Cota Street.

On July 9, 2018, the City Council approved the final plans and specifications and authorized the publication of a notice inviting bids for the project.

DISCUSSION

Construction Contract

The Notice Inviting Bids was published on the City's website and on trade journals. Three bid addenda were issued. On January 31, 2019, the City Clerk's staff publicly opened the bids. Four contractors responded with the following bid amounts:

<u>CONTRACTOR BID</u>	<u>AMOUNT</u>
1. Ramona Inc	\$ 11,732,055
2. GRFCO, Inc.	\$ 11,778,230
3. Mike Prlich and Sons, Inc.	\$ 13,345,325
4. Colich & Sons, LP	\$ 14,590,810

Bid Protest

Subsequent to bid opening, on February 4, 2019 the second low bidder GRFCO, Inc. ("GRFCO") submitted a bid protest Attachment 1) challenging Ramona's bid as nonresponsive. Staff reviewed the bid protest documents in consultation with the City Attorney and addresses each of the points below:

- Ramona incorrectly listed the names of the suppliers on Supplementary Bid Form No. 1 - Listing of Proposed Subcontractors, and listed the names of the subcontractors on Supplementary Bid Form No. 2 - Listing of Proposed Suppliers, in its bid documents. It is clear from the names on each of these lists as to which are subcontractors and which are suppliers. Staff recommends this is a minor clerical error and should be waived by the City Council.
- GRFCO is protesting that Ramona failed to list all the subcontractors for the Project.

Included in the bid schedule are four tunneling related bid items:

#16: Construct 20" Steel Pipe Casing by Auger Boring Method

#17: Construct 30" Steel Pipe Casing by Auger Boring Method

#18A: Construct 30" steel Pipe Casing by Microtunneling Method (deletable item)

#18B: Construct 30" steel Pipe Casing by Auger Boring Method (deletable item)

Bid Addendum No. 2 stated that the bidders shall provide a bid price for both Items 18A and

18B and the contract will be awarded to the responsive and responsible contractor with the lowest total base bid amount, including both bid items 18A and 18B. During construction, depending on actual groundwater level encountered, either bid item 18A or 18B would be utilized.

Ramona's bid proposal listed Golden State Boring as the subcontractor for bid items #16 and #17. However, Ramona's bid did not list the subcontractor for bid items 18A or 18B.

Ramona responded to the bid protest and stated that for Bid Items 18A and 18B, its subcontractor is Golden State Boring, which is performing all of the tunneling work on the project. Ramona further clarified that with regard to Bid Item 18A (the microtunneling work), if required, that would be performed by Golden State Boring's subcontractor (a third tier subcontractor), Nada Pacific Corporation (NPC), and submitted documentation evidencing NPC's required qualification experience of 6000 linear feet minimum of microtunneling installed in the last three years. There is no requirement in the Public Contract Code for a bidder to list a third tier subcontractor.

Staff reviewed Ramona's bid documents in their entirety and determined the missing information regarding bid items 18A and 18B under the Subcontractor work was a clerical error by Ramona. Staff acknowledges there may have been some confusion for the bidders, because 18A and 18B were characterized as deletable bid items, which is further evidenced by the fact that GRFCO only listed the subcontractor for bid item 18A and not bid item 18B, in its bid proposal.

The City has discretion in using its judgement to determine whether the entirety of the information presented makes the intent of the bidder known. Ramona's intent is clear from the documentation that Golden State Boring would be the subcontractor for all the boring work. Staff recommends the City Council waive the subcontracting list irregularity/clerical error in Ramona's bid proposal and deem its bid proposal responsive.

Lowest Responsive and Responsible Bidder

Notwithstanding the minor irregularities/clerical errors in Ramona's bid proposal, staff determined Ramona's bid documents to be responsive and complete. Its bond, contractor's license, and worker's compensation insurance were reviewed and determined to meet City requirements. Staff also conducted a reference check and determined that Ramona performed work satisfactorily for other agencies. Ramona is a well-known and established pipeline contractor who has completed many similar sewer pipeline projects throughout the cities and sanitation districts in southern California.

Construction Management and Inspection Contract

During the construction bidding period staff released a request for proposal (RFP) for construction management and construction inspection services for the construction of this project. The RFP was published on City's website and a list of selected firms were notified of the RFP via e-mail.

On January 31, 2019, six proposals were received by the City Clerk's office from the following firms:

1. NV5
2. Murow CM
3. MNS Engineers, Inc.
4. GK and Associates
5. 4-Leaf, Inc.
6. Interwest Consulting Group, Inc.

Upon review of the proposals received, staff ranked NV5 the highest in terms of overall quality, technical expertise in deep sewer and tunneling construction, and cost effectiveness. NV5 is currently managing the construction administration and inspection of the Bankfield Sewer Pump Station construction and staff is pleased with their knowledge, experience and inspection effort. NV5 has provided construction management and inspection services for similar sewage pipeline construction projects for other agencies. Staff recommends City Council approve a professional services agreement with NV5 for construction management and construction inspection services in an amount not-to-exceed \$419,574.

Construction material testing consultant will be selected from City Council approved on-call geotechnical engineering firms list.

Construction Schedule

The anticipated construction duration is from June 2019 to June 2020. All adjacent businesses and residents will be notified of the work schedule. Weekend work is proposed in the intersection of Jefferson Boulevard and Overland Avenue. Work across Sepulveda Boulevard is proposed to be conducted during the night time hours.

FISCAL ANALYSIS

<u>Project Budget</u>	<u>Amount</u>
PZ-946 Sewer Enterprise Funds (Fund 204)	\$ 6,616,712

<u>Estimated Project Expenses</u>	<u>Amount</u>
Construction contract (Ramona, Inc.)	\$11,732,055
Construction contingency (6%)	\$ 700,000
Construction management and inspection (NV5)	\$ 419,574
Construction engineering contingency (10%)	\$ 42,000
Construction material testing services (estimated)	\$ 85,000
Total Estimated Project Expense	\$ 12,978,629

An additional amount of \$6,361,917 is required to adequately fund the project. There are \$7,425,944 of unrestricted sewer enterprise funds available. The Budget Amendment requires a four-fifths vote of the City Council.

ATTACHMENTS

1. GRFCO bid protest documents

2. Ramona response to bid protest

MOTION

That the City Council:

1. Waive irregularities/clerical errors in Ramona's Bid Proposal for the Construction of Diversion Sewer Pipes to Abandon Mesmer and Overland Sewer Pump Stations (PZ-946); and,
2. Reject GRFCO's bid protest; and,
3. Award a construction contract to Ramona, Inc. in the amount of \$11,732,055 as the lowest responsive and responsible bidder for the Project; and,
4. Authorize the Public Works Directory/City Engineer to approve change orders, if necessary, to Ramona, Inc.'s contract in the amount up to \$700,000; and,
5. Approve a professional services agreement in an amount not-to-exceed \$419,574 to NV5 for construction management and inspection services; and,
6. Authorize the Public Works Directory/City Engineer to approve contract amendments, if necessary, in an additional not-to-exceed amount of \$42,000 for NV5; and,
7. Approve a related budget amendment **(requires a four-fifths vote)**;
8. Authorize the City Attorney to review/prepare the necessary documents; and,
9. Authorize the City Manager to execute such documents on behalf of the City.