



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/Public Works Director

BY: Jill McPeck, Capital Improvement Project Manager

SUBJECT: Consider Award of Construction Contract to Nu Line Technologies, LLC for the Wood Place, Farroll/Sandalwood, Sandalwood/Cameron, & Woodland Back Yards Sewer Lining Project, PW 2021-10

DATE: June 28, 2022

SUMMARY OF ACTION:

Award a construction contract for lining existing sewer lines within backyards along Wood Place, Farroll Avenue/Sandalwood Avenue, Sandalwood Avenue/Cameron Court and Woodland Drive. Work is anticipated to begin in late July 2022.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

An allocation of \$267,200 of American Rescue Plan Act (ARPA) funds are available in the amended FY 2021-22 Capital Improvement Program budget for the design, inspection, construction, and contingencies of the subject project. Staff time will be necessary to coordinate construction activities with the construction management consultant and construction contractor. Any unused ARPA funds will be allocated towards a similar water/sewer infrastructure project.

RECOMMENDATION:

1) Award a base bid only construction contract for the Wood Place, Farroll Avenue/Sandalwood Avenue, Sandalwood Avenue/Cameron Court, & Woodland Drive Back Yards Sewer Lining Project to Nu Line Technologies in the amount of \$132,270; 2) Authorize the City Manager to approve change orders for 15% of the contract amount, \$19,840, for unanticipated costs/construction contingencies during the construction phase of the project (construction costs = \$132,270 + \$19,840 = \$152,110 + construction management and design and survey costs = \$25,332 + \$13,968 = \$39,300. Total project costs = \$191,410).

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BACKGROUND:

On May 10, 2022 (Attachment 2), the City Council approved construction plans and specifications for the Wood Place, Farroll Avenue/Sandalwood Avenue, Sandalwood Avenue/Cameron Court, & Woodland Drive Back Yards Sewer Lining Project consisting of the rehabilitation of sewer pipes that run beneath the back yards of existing homes using a cured in place pipe (CIPP) method. CIPP is a trenchless (or no-dig) process where a flexible tube is inserted and pulled through the existing pipes from manholes or clean outs and is then cured using either hot water under hydrostatic pressure or steam pressure to expand the tube to tightly bond with the interior of the existing pipes. This trenchless method allows the pipes to be rehabilitated in place without having to perform excavation and pipe replacement which would be extremely disruptive and expensive, if not nearly impossible, due to the locations in existing back yards.

The project scope also includes a Bid Add Alternate (not recommended by staff due to exceedance of available budget) for sewer lateral connection seals that are extra preventative measures to prevent leakage and/or intrusion, but are not essential to a long-term functional sewer system. The reason why connection seals were included as a bid add alternative, was to take advantage of the mobilized equipment and labor that would make this measure easier and more cost effective to install.

Additionally, based on the engineer's estimate (Base Bid and Bid Add Alternate of \$302,213), versus the available project budget of \$267,200, the connection seals were included as a Bid Add Alternate in case the lowest bid came in at a cost that allowed the bid add alternative to be funded within the available project budget. The Base Bid with separate Bid Add Alternative contract model allows the City to award just the Base Bid should there not be enough available budget to fund both the Base Bid (sewer pipe lining) and the Bid Add Alternate (sewer lateral connection seals).

ANALYSIS OF ISSUES:

On June 7, 2022, five bids were received for the Wood Place, Farroll/Sandalwood, Sandalwood/ Cameron, & Woodland Back Yards Sewer Lining Project. The project specifications state that the lowest bidder will be determined using the Base Bid. Following review, it has been determined that the lowest Base Bid was received from Nu Line Technologies, LLC, and that Nu Line Technologies, LLC's bid has been determined to be responsive and Nu Line Technologies, LLC to be a responsible bidder.

Based on the total project budget available, an award of a construction contract consisting of the Base Bid to Nu Line Technologies, LLC is recommended. It is also recommended that a construction contingency of 15% be set aside for unanticipated costs during the construction phase of the project due to the complex locations of the existing sewer lines.

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If an award of a construction contract consisting of both the Base Bid and the Bid Add Alternative were desired, an additional \$35,013 would be required as shown in the below table.

Expenditures	FY 2021-22 Budget	Staff recommended -Base Bid	Base Bid + Bid Add Alt
Construction	\$ 207,200	\$ 132,270	\$ 228,620
Construction Contingencies	20,700	19,840	34,293
Const Mgt, Inspection, Advertising	25,332	25,332	25,332
Design & Survey	13,968	13,968	13,968
Total Expenditures	\$ 267,200	\$ 191,410	\$302,213
Surplus / Shortfall		\$ 75,790	- \$35,013

The contract time is 45 working days and it is anticipated work will be performed late July to late September 2022. Because the work will be performed within residential areas, the specifications restrict work hours to 8:00 a.m. to 5:00 p.m.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve the recommended actions as proposed;
2. Award a construction contract consisting of the Base Bid and Bid Add Alternate and amend the project budget to include \$35,013 from the Sewer Fund balance;
3. Do not award a construction contract for the project at this time; or
4. Provide other direction to staff.

ADVANTAGES:

The CIPP technology allows rehabilitation of sewer mains in place without having the need for more costly disruption and excavation. Moving forward with the project will allow for the expenditure of ARPA funds within the required timeline.

DISADVANTAGES:

There will be intermittent water and sewer service disruption for customers during the project. These disruptions will be minimized as much as possible and the project specifications require the contractor to notify affected residents in advance.

ENVIRONMENTAL REVIEW:

The project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15301(b) for the repair and maintenance of existing facilities of publicly-owned utilities used to provide sewerage.

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PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Bid Opening Log Sheet
2. [May 10, 2022 Staff Report and Attachments](#)