

MEMORANDUM

TO: CITY COUNCIL

FROM: GEOFF ENGLISH, PUBLIC WORKS DIRECTOR

BY: MIKE LINN, ASSISTANT CITY ENGINEER

SUBJECT: CONSIDERATION OF AN AWARD OF CONTRACT TO SANCON ENGINEERING, INC. FOR THE 2014 SEWER LINING PROJECT, PW 2014-07

DATE: MARCH 25, 2014

RECOMMENDATION:

It is recommended the City Council:

1. Award a contract for the 2014 Sewer Lining Project to Sancon Engineering, Inc. in the amount of \$59,416;
2. Authorize the City Manager to approve change orders for 10% of the contract amount, \$5,942 for unanticipated costs during the construction phase of the project (total construction costs = \$59,416 + \$5,942 = \$65,358); and
3. Direct the City Clerk to file a Notice of Exemption.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The FY 2013/14 Capital Improvement Program includes \$153,000 for the subject project. The lowest responsive bid of \$59,416 is well below the Engineer's estimate of \$88,500.

BACKGROUND:

The project scope of work involves the rehabilitation of approximately 1384 linear feet of failing sewer pipe along Le Point Street and Crown Terrace using the Cured-In-Place Pipe (CIPP) technology. This "trenchless" method allows the pipe to be rehabilitated in place without having to perform excavation and pipe replacement. The CIPP is a jointless, seamless, pipe-within-a-pipe, consisting of a resin-impregnated flexible tube. The flexible tube is inserted and pulled through the existing pipe from manholes 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 pipe.

CITY COUNCIL

CONSIDERATION OF AN AWARD OF CONTRACT TO SANCON ENGINEERING, INC. FOR CONSTRUCTION OF THE 2014 SEWER LINING PROJECT PW 2014-07

MARCH 25, 2014

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The City has successfully performed projects using the CIPP method along segments of East Branch Street and Crown Hill. This particular project is being performed as part of Project A-1 "Trenchless Sewer Rehabilitation with Point Repairs" identified in the Wasterwater Master Plan, adopted by Council in January, 2013.

ANALYSIS OF ISSUES:

On March 13, 2014, three bids were opened for the 2014 Sewer Lining Project. The lowest bid, from Sancon Engineering, Inc. was in the amount of \$59,416. Staff has determined the bid to be responsive and recommends the award of a construction contract to Sancon Engineering, Inc. Staff anticipates the work starting in late-May with a 30 calendar day time duration.

ALTERNATIVES:

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

1. Approve staff's recommendation to award a construction contract to Sancon Engineering, Inc. for the 2014 Sewer Lining Project;
2. Do not award a construction contract for the project; or
3. Provide direction to staff.

ADVANTAGES:

The technology allows rehabilitation of failing sewer mains in place without having to resort to costly excavation. The method is not only more cost effective; it also prevents degradation of the roadway structural integrity that inevitably follows the traditional trench and replace method.

DISADVANTAGES:

The majority of the work will be performed at night to take advantage of low sewer flows within residential neighborhoods.

ENVIRONMENTAL REVIEW:

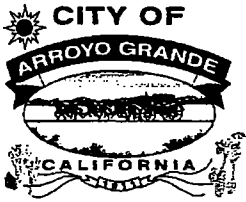
The project is categorically exempt from CEQA pursuant to Section 15301(b).

PUBLIC NOTIFICATION AND COMMENTS:

The agenda was posted at City Hall on Thursday, March 13, 2014. The agenda and staff report was posted on the City's website on Friday, March 14, 2014. No public comments were received as of the time of preparation of this report.

Attachment:

1. Bid Tabulations
2. Notice of Exemption



**CITY OF ARROYO GRANDE
BID OPENING LOG SHEET**

DEADLINE: THURSDAY, MARCH 13, 2014 - 2:00 PM
PROJECT NAME: 2014 SEWER LINING PROJECT
PROJECT NO. PW 2014-07
ENGINEER'S ESTIMATE: \$88,500.00

<u>SUBMITTED BY:</u>	<u>TOTAL</u>
Sancon Engineering, Inc. Huntington Beach, CA	\$59,416.00
Repipe California Riverside, CA	\$83,560.00
Southwest Pipeline & Trenchless Corp. Torrance, CA	\$94,256.00


Kitty Norton, Deputy City Clerk

c: Director of Community Development
Director of Public Works
Assistant City Engineer
City Manager

Notice of Exemption

To: Office of Planning and Research
1440 Tenth Street, Room 121
Sacramento, CA 95814

From: (Public Agency) City of Arroyo Grande
300 East Branch Street
Arroyo Grande, CA 93420

County Clerk
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

Project Title: 2014 Sewer Lining Project, PW 2014-07

Project Location - Specific: Le Point Street - between Crown Hill and McKinley; and
Crown Terrace - between Le Point Street and Crown Hill Street

Project Location - City: Arroyo Grande Project Location - County: San Luis Obispo

Description of Project: Install Cured-In-Place-Pipe (CIPP) PVC liner into existing sewer mains
(Trenchless Technology)

Name of Public Agency Approving Project: City of Arroyo Grande - Public Works Department

Name of Person or Agency Carrying Out Project: Geoff English

Exempt Status: (check one)

- Ministerial (Section 12080(b)(1); 15268);
Declared Emergency (Sec. 21080(b)(3); 15269(a));
Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
Categorical Exemption. State type and section number: Section 15301(b)
Statutory Exemptions. State code number:

Reasons Why Project Is Exempt: The existing sewer mains are failing. The CIPP method enables
rehabilitation of the sewer mains without having to resort to excavation and pipe replacement.

Lead Agency

Contact Person: Michael Linn, P.E. Area Code/Telephone/Extension: (805) 473-5444

If filed by Applicant:

- 1. Attach a certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Date:

Geoff English
Public Works Director

- Signed by Lead Agency Date received for filing at OPR:
Signed by Applicant