



DATE: March 17, 2020

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Rejecting All Bids, Approving Revised Plans and Specifications, and Calling for Bids for the Sewer Line Replacement Project, Project No. 07694

RECOMMENDATION

That Council adopts a Resolution (Attachment II) rejecting all bids for the Sewer Line Replacement Project, Project No. 07694, approving the revised plans and specifications incorporating revised bidding requirements and Addendum No. 1, and calling for construction bids to be received on April 7, 2020.

SUMMARY

This project will replace approximately 4,300 linear feet of 6-inch to 10-inch vitrified clay pipe (VCP) with 8-inch and 10-inch polyvinyl chloride (PVC) pipe by traditional open-cut method. In addition, approximately 660 linear feet of 12-inch asbestos cement pipe (ACP) will be rehabilitated by a cured-in-place pipe liner. On March 3, 2020, four (4) bids were received ranging from \$1,747,520 to \$2,038,000. On March 6, 2020, the second lowest bidder informed the City that the low bidder did not include Department of Industrial Relations (DIR) registration numbers with their listing of subcontractors. Upon review of Public Contract Code 4104, the City is required to provide in the specification a requirement for bidders to include public works contractor registration numbers with the bid. For this project, two of the four bidders did not include DIR registration numbers including the low bidder. Therefore, staff is requesting Council approval to reject all bids, approval of the revised plans and specifications incorporating revised bidding requirements and Addendum No. 1, and authorization calling for construction bids to be received by April 7, 2020.

BACKGROUND

The City's current Capital Improvement Program includes funding to replace the City's undersized and/or structurally damaged sewer mains through annual sewer line replacement projects. The City's sanitary sewer collection system was mostly constructed after World War II. Among its 325 miles of sewer pipelines, approximately 9% of the sewer mains are four or six inches in diameter. As the City grew over subsequent decades, sewer flows have increased and as a result, a majority of these small size sewer mains are now undersized. Industry experience has shown that these small diameter pipes are more likely to cause

overflows and blockages in the system than 8-inch pipes. Therefore, the City has adopted a standard minimum sanitary sewer main size of eight inches.

The Utilities Division staff performs regular sewer main cleaning and has an ongoing program to monitor and inspect the condition of the City's sanitary sewer collection system using closed circuit television (CCTV) technology. The inspection is performed by placing a camera, mounted on tracks, inside a sewer pipe and remotely guiding it through the length of the pipe. As the camera moves forward, it sends back video to a TV monitor that enables the staff to inspect the condition of the pipe. These inspections are used to identify structurally damaged sewer mains for repair or replacement. The sewer mains selected for this project were identified as having structural defects or being undersized.

Approximately 4,300 linear feet of existing pipe will be replaced with 8-inch and 10-inch polyvinyl chloride (PVC) pipe by traditional open-cut method. Traditional open-cut sewer repair involves excavating a trench of approximately two to four feet in width and to the depth of the damaged or undersized pipe. Once the sewer main is exposed, the damaged or undersized section is removed and replaced with new PVC pipe. At the same time a portion of the existing sewer laterals that connect to the sewer are replaced and service restored. When the repair is complete, the opened trench is backfilled, compacted, and paved to match the original pavement section. The locations of open-cut replacement are on E Street, 1st Street, Armstrong Street, Main Street, Vallejo Street, Sunset Boulevard, and Fletcher Lane.

The remaining 660 linear feet will be rehabilitated by a trenchless pipe replacement technique known as cured-in-place pipe (CIPP). CIPP involves inserting a resin-impregnated flexible tube into the pipe, inflating, and curing with hot water or steam forming a structurally sound, water-tight new pipe within-a-pipe that has all the structural properties of a stand-alone pipe.

This project also includes installation of new manholes in areas where there is a distance more than 350 feet between manholes to facilitate future maintenance, as Hydro cleaning and CCTV equipment operate best within a range of 350 feet.

DISCUSSION

On July 16, 2019, Council approved the plans and specifications for the project and called for bids to be received on August 20, 2019. Shortly after approval to advertise for bids, staff discovered that a portion of one of the pipelines originally included in the project was in private property. In addition, another pipeline was identified by CCTV video to have a severely eroded base with a portion of the pipeline potentially at risk for imminent collapse. Staff dropped the pipeline in the private easement from the project and added the severely eroded pipeline to the project resulting in a delay in advertising and opening bids. Subsequently, Staff decided to delay the project to advertise and bid in early 2020 to allow the City to take advantage of a traditionally more competitive bidding climate and spring/summer construction period. This also provided the opportunity to allow construction to proceed on E Street in front of Bret Harte Middle School during summer break resulting in less disruption to the school caused by construction activities. Subsequently, the bid date was postponed to March 3, 2020.

On March 3, 2020 the City received four (4) bids for the project, ranging from \$1,747,520 to \$2,038,000. Andes Construction Inc. submitted the low bid in the amount of \$1,747,520, which is approximately 19% below the Engineer's estimate of \$2,152,000.

On March 6, 2020 the City was informed by the second to low bidder that the low bidder did not list the Department of Industrial Relations (DIR) registration numbers for the listed subcontractors on the bid form. Upon review of Public Contract Code 4104, the City must require bidders include public works contractor registration numbers with the bid. Because the City's bidding instructions did not explicitly require the DIR registration numbers be listed in the bid form, two of the four contractors did not include the registration numbers for their subcontractors including the low bidder. Therefore, Staff is requesting Council's approval to reject all bids, approve revised plans and specifications incorporating revised bidding requirements and Addendum No. 1, and authorization calling for bids to be received by April 7, 2020.

ECONOMIC IMPACT

Construction of this project would be subject to the requirements of the Community Workforce Agreement, which provides potential local economic benefits, such as the hiring of Hayward residents.

FISCAL IMPACT

The adopted FY2020 Capital Improvement Program (CIP) includes \$2,620,000 for the Sewer Line Replacement Project, Project No. 07694. Staff anticipates rebidding the project should not materially affect the bid results and the project should be well under the budgeted amount for the FY2020 sewer line replacement CIP.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Infrastructure. Specifically, this item relates to the implementation of the following project:

Project 15: Upgrade sewer collection system by replacing 3-4 miles of sewer lines annually.

A separate CIP project will be implemented later this year to incorporate upgrades to additional sewer collection system pipelines.

SUSTAINABILITY FEATURES

The repair and replacement of deteriorating sewer lines reduces the risk of sewer overflows, which can cause untreated wastewater to flow into public waterways.

PUBLIC CONTACT

This project is statutorily exempt from environmental review under the California Environmental Quality Act (CEQA) Section 15282(k), which allows for the repair and restoration of an existing subsurface pipeline, provided the project does not exceed one mile in length.

NEXT STEPS

If Council adopts the attached resolution, staff will send a formal rejection notice to all four bidders. Staff will then modify the specifications to include the requirement for bidders to list the DIR registration number for the bidder, and all subcontractors on the bid form. If Council approves re-advertising the project for public bidding, staff will return to Council for the award of the construction contract after construction bids have been received and reviewed.

The following schedule has been developed for this project:

Advertise for Bids	March 18, 2020
Receive Bids	April 7, 2020
Award of Construction Contract	April 21, 2020
Notice to Proceed	May 15, 2020
Construction Completion	October 2020

Prepared by: Suzan England, Senior Utilities Engineer

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager