



**DATE:** December 9, 2014

**CATEGORY:** Consent

**DEPT.:** Public Works

**TITLE:** **Interceptor Sewer Trunk Main Manhole Construction, Project 14-33 – Amend Project Budget and Award Construction Contract**

### **RECOMMENDATION**

1. Appropriate and transfer \$210,000 from the Wastewater Fund to Interceptor Sewer Trunk Main Manhole Construction, Project 14-33. (Five votes required)
2. Award the construction contract for Interceptor Sewer Trunk Main Manhole Construction, Project 14-33, to Ranger Pipeline, Inc., of San Francisco for the low bid price of \$471,030 that includes a construction contingency of \$60,000.

### **BACKGROUND**

The interceptor sewer trunk main is a 42" diameter reinforced concrete pipe constructed in 1969 to transport approximately 10 million gallons per day of sewage from the Shoreline Sewage Pump Station to the Palo Alto Regional Water Quality Control Plant (PARWQCP). This trunk main transports the majority of the City's sewage and is one of the City's critical infrastructure components.

The trunk main includes a 2,100' section that lies under Shoreline Golf Links with no manholes to allow access to the pipe for maintenance or inspection. The most recent video inspection revealed areas of pipe deterioration and debris accumulation on the first and last 700' of this 2,100' pipe section. The City has no known video inspection record for the middle 700' because the middle section is inaccessible without the manholes. Construction of additional manholes is the first step in assessing and rehabilitating the trunk main as it approaches the end of its useful service life.

The project will construct four sanitary sewer manholes on the interceptor sewer trunk main (see Attachment 1) to allow inspection of the entire length of the pipe and to allow access to the pipe for rehabilitation. The work is within the limits of Shoreline Golf Links, habitat for burrowing owls and other species, and is on a closed Class III

municipal landfill. The depth of excavation required to construct those manholes ranges between 25' and 30' (see Figure 1).



Figure 1

On September 9, 2014 Council approved plans and specifications for Project 14-33 and authorized staff to advertise for bids.

## ANALYSIS

### Bid Results

On November 18, 2014, five bids were received, with the low bid of \$471,030 (including an alternate bid item to inspect the pipeline with a television camera) submitted by

Ranger Pipeline of San Francisco (see Attachment 2). The low bid is considerably higher than the Engineer's Estimate of \$298,500. After discussing the discrepancy between the Engineer's Estimate and the low bid with Ranger Pipeline and the designer, staff believes that the Engineer's Estimate underestimated some components of the construction. These include the depth of the manholes that require an unusual amount of excavation and complicated shoring, working in a landfill and sensitive environment, the complex dewatering system due to the groundwater in the area, and working at night to keep the golf course and driving range in operation during part of the construction.

Given that the two lowest bids were within 7 percent of one another and that five bids were received from construction firms that have successfully worked with the City in the past, staff does not believe that rebidding the project would necessarily result in lower bids. Staff believes the low bid is reasonable and competitive and recommends awarding the construction contract to Ranger Pipeline, including an alternate bid item to inspect the line with a camera after the manholes are installed.

If Council approves the recommended actions, construction is expected to begin in January 2015 and be completed by April 2015.

**FISCAL IMPACT**

The Interceptor Sewer Trunk Main Manhole, Project 14-33 is funded with \$530,000 from the Wastewater Fund. The total project cost based on the low bid price is as follows:

Construction and Construction Contingency	\$472,000
Consultant Design	130,000
City Project Management	20,000
Construction Inspection and Testing	30,000
Environmental Compliance/Permitting	15,000
Trash Disposal	15,000
Turf Restoration Allowance	10,000
Miscellaneous	<u>2,000</u>
Subtotal	694,000
City Administration @ 6.5%	<u>46,000</u>
<b>TOTAL PROJECT COST</b>	<b>740,000</b>
Current Project Budget	<u>(530,000)</u>
Shortfall	<u>(\$210,000)</u>

Staff recommends appropriating \$210,000 to the project from the Wastewater Fund to meet the funding shortfall. The available balance in the Wastewater Fund as of June 30, 2014 is \$6.9 million.

**ALTERNATIVES**

1. Reject bids and direct staff to readvertise the project for bids.
2. Direct staff to reduce project scope and stay within the current project budget.

**PUBLIC NOTICING** – Agenda posting.

Prepared by:

Lisa Au  
Principal Civil Engineer

Approved by:

Michael A. Fuller  
Public Works Director

Daniel H. Rich  
City Manager

LA/7/CAM  
911-12-09-14CR-E

Attachments: 1. Bid Summary

cc: APWD – Solomon, APWD – Hosfeldt, PCE – Macaraeg, PCE – Au, USM – Turner,  
WWS – Mulhearn, SCE – Chang, F/c