

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: June 16, 2008

Reviewed by: BP

SUBJECT: Neilson Street Storm Drain and Sanitary Sewer Project

REPORT BY: Ann Chaney, Community Development Director
Richard Cunningham, Public Works Manager
Randy Leptien, City Engineer

RECOMMENDATION

1. That the City Council award a Contract in the amount of \$2,129,860 for the Neilson Street Storm Drain and Sanitary Sewer Improvements (Contract No. C07-21) to Ranger Pipelines, Inc. of San Francisco CA.
2. That the City Council approve a scope and budget for a Consultant Services Agreement with Jacobs Engineers for Construction Management Services for an amount not to exceed \$107,000.

BACKGROUND

In June 2006, Albany voters approved Measure F - 2006, which identified funding for the Neilson-Curtis Storm Drain project. The City's 1998 Watershed Management Plan (WMP) identified this project as *the number one priority storm drain project in the City*. This project is intended to resolve chronic drainage problems experienced by residents in the 1000 block of Curtis and Neilson Streets during wet weather months. On September 18, 2006 the City Council authorized URS Corporation of Oakland to proceed with a study of alternatives and technical approaches for the construction of storm drain improvements in this area.

The URS study included (1) an evaluation of Alignments and Technical Approaches (2) Hydraulic and Hydrology Analyses and (3) Comparative Cost Estimates for Pilot Tube versus Remote Controlled Micro Tunneling. The URS study concluded that the preferred alternative was to install a storm drain in Neilson Street using microtunneling techniques. URS indicated that additional information concerning subsurface conditions was necessary and required to improve the estimates for the recommended alternative.

The Hydrologic and Hydraulic Analysis prepared by URS indicated that the creek flow would increase by approximately 8 inches at Neilson and that this rise in the water surface would decrease to approximately 2 inches at Santa Fe and that this increase is less than 1% of the 10 year flow. The study indicated that the capacities of the culverts on

Codornices Creek at Curtis and at Santa Fe are adequate to accept this additional flow and concluded that there will be a negligible impact in the stream flow.

The cost comparison for Pilot Tube (previously also referred to as guided bore) microtunneling and Microtunneling (now referred to as Remote Controlled) prepared by URS in March of 2007 indicated that the former would cost approximately \$1.5 million and the latter approximately \$1.8 million.

In April of 2007 Council directed staff to proceed with the plans and specifications for the project, with the method of construction to be determined as the project was defined. Council further directed that the rehabilitation of the sanitary sewer system on Neilson Street also be included in the project design.

In February 4, 2008, Council received a report from the City Engineer indicating that due to a number of variables he was unable to determine whether pilot tube or remote controlled microtunneling would be the most cost effective. Accordingly Council authorized plans, specifications and estimates to be prepared for each method. Council also authorized the preparation of an environmental document for this project.

On March 17 and on April 7, 2008, the Council conducted a public hearing on the Negative Declaration that was noticed and circulated. Following the conclusion of the hearing, Council approved the plans and directed staff to advertise the project for public bids. On April 7 the Council also approved the negative declaration, approved a finance plan whereby the Finance Director and the City Administrator were authorized to secure financing (loans) for the project, and a scope of services for URS for construction review services for this project.

The Council's authorization to proceed with the call for bids for the project included direction to staff to meet with the property owners along Codornices Creek, downstream of the project to explore future private or grant funded creek restoration and culvert rehabilitation projects in this area. Staff has been in touch with these parties and is arranging a meeting with them and others who may be interested. The meeting is expected to take place in June or July.

The approved plans, specifications and estimates included the two competing designs and four bid schedules. The bid documents required the Contractor to submit a base bid for at least one of the tunneling options and an additive alternate bid schedule for the sewer work for each base bid. The Engineer's Estimate for the project as advertised was as follows:

	Base Bid 1	Base Bid 1A	Base Bid 2	Base Bid 2A
	Remote Control	Base Bid 1	Pilot Tube	Base Bid 2
	Microtunneling	Plus Sewer	Microtunneling	Plus Sewer
Estimate	\$2,978,700	\$3,269,900	\$2,139,500	\$2,387,791

Public Works Staff favored the remote controlled microtunneling alternative because it provided for the installation of a 30-inch diameter pipe whereas the Pilot Tube process called for a 24-inch diameter pipe. The larger diameter pipe is preferred for long-term maintenance considerations, due to the depth of the pipe which approaches 27 feet in some locations. The remote controlled process involved less shafts (4) versus the (8) that would be required for the pilot tube process, and would be less disruptive. The bid documents indicated that if the lowest base bid for the remote control process was within \$200,000 of the lowest bid for the pilot tube process, then the City would award the Contract for the (higher) remote control bid. The bid documents also indicated that the City intended to award the sewer work if the price including the sewer work did not increase the total amount by more than \$500,000.

SUMMARY OF BIDS RECEIVED

On June 3, 2008 a total of fourteen (14) bids were received from six (6) different Contractors for this project. These bids are listed in ascending order below:

	Base Bid 1	Base Bid 1A	Base Bid 2	Base Bid 2A
Contractor	Remote Control	Base Bid 1	Pilot Tube	Base Bid 2
	Microtunneling	Plus Sewer	Microtunneling	Plus Sewer
Ranger Pipelines, Inc	\$1,816,810	\$2,129,860	No Bid	No Bid
California Trenchless, Inc.	No Bid	No Bid	\$2,070,525	\$2,387,791
K.J.Woods, Inc.	\$2,408,000	\$2,558,000	No Bid	No Bid
McGuire & Hester	\$2,814,840	\$3,298,984	No Bid	No Bid
Mountain Cascade, Inc.	\$2,892,120	\$3,185,570	No Bid	No Bid
Michels Pipeline Construction	\$3,797,344	\$4,993,554	\$4,599,710	\$5,915,223

The bids were checked for accuracy. All bids were submitted on official bid forms and were complete and responsive. Some errors in the extensions for the bid submitted by California Trenchless, Inc. were discovered; these errors have been corrected and did not affect the order of the bids submitted. The amounts that appear in the table above reflect the corrected extensions.

RECOMMENDATION FOR AWARD OF CONTRACT

The low bid was submitted by Ranger Pipelines, Inc. The price for Remote Controlled Microtunneling (Base Bid 1) is lower than the next lowest bid, which is the bid submitted for Pilot Tube Microtunneling by California Trenchless, Inc. and therefore is the preferred bid and the lowest bid according to the instructions to bidders. The Base Bid submitted by Ranger Pipelines, Inc. exceeds the Base Bid, plus the sewer by less than \$500,000.

The City Engineer asked URS Corp to check the qualifications of Ranger Pipelines and their listed subcontractor for microtunneling. URS indicates that Ranger and their

subcontractor are licensed contractors who are experienced with this type of work and are qualified to perform the work of this contract. The City Engineer contacted Ranger and asked them to check their bid for errors. They indicated that the bid was put together accurately and that they are prepared to honor their bid. The amount of Ranger's bid for remote controlled microtunneling is very close to the URS estimate that was prepared in 2007 (\$1.8 million).

Therefore, the City Engineer has determined that the bid submitted by Ranger Pipelines, Inc. is the lowest responsible bid and recommends that the Contract be awarded to them in the amount bid for Bid Schedule 1A, the Base Bid for Remote Controlled Microtunneling plus the Additive Sewer Work.

The contract allows the Contractor 140 Working Days (7 months) to complete the work. The Notice to Proceed with field work is expected to be issued during the second or third week in July. Advance notice to proceed with submittals will be given following award, in order to expedite construction and coordination of utility locations.

SCOPE OF SERVICES FOR CONSTRUCTION MANAGEMENT

A proposal from Jacobs Engineers for Construction Management is attached. Greg Jacobs will be performing the Construction Management on the 2008 Sewer Project on the east side of Albany Hill at the same time that this project is taking place and there will be an economy of scale if he undertakes the management of the two projects at the same time. Jacobs has performed similar services on a number of projects in the past including the San Pablo Avenue Sewer in 2004-05, Key Route/Pomona and Madison/Adams sewer rehabilitation in 2005-06, and the Monroe Street Temporary Police and Fire relocation grading and paving project this year. The amount of his proposal, \$107,000 is approximately 5% of the construction value and is a reasonable budget for this scope of work in the opinion of the City Engineer. Services will be performed on a time and materials basis for an amount not to exceed the total.

FINANCIAL IMPACT

The low bid is less than the Engineer's Estimate for this work and the project can be funded within the loan program approved by the Council on April 17, 2008. The sewer rehabilitation work will be paid from the Sewer Enterprise Fund. If the project is not constructed as proposed, continued flooding in the 1000 Block of Curtis and Neilson may be expected to continue with unknown costs and consequences and financial impact to the City.

Attachment:

Proposal from Jacobs Engineers

April 17, 2008

Mr. Rich Cunningham
Public Works Manager
City of Albany
1000 San Pablo Avenue
Albany, CA 94706

RE: NEILSON STORM DRAIN/SEWER

Jacobs Engineers appreciates the opportunity to provide engineering services for the proposed Neilson Storm Drain and Sewer. The construction phase is expected to start sometime between mid June and July 1, 2008. Jacobs Engineers proposes engineering services for construction administration, project engineering and inspection.

The following tasks are proposed:

- Preliminary construction meetings and coordination
- Pre-construction conference and office engineering
- Construction phase:
 - Field inspection.
 - Daily reports and project photographs
 - Project Management and Engineering
 - Office Engineering, Correspondence and Change Orders
 - Communications/coordination/meetings
- Post Construction
 - Final inspection and punch list
 - Project close out.

The anticipated construction period, based on the project's specifications is estimated at 120 working days, which we are using as a basis to estimate the engineering fee for this proposal.

Pre-Construction Phase

Senior Engineer	30 hours
Project Inspector	20 hours
Adm. Assistant	10 hours

Construction Phase (including Contract Administration)

Senior Engineer	420 hours
Project Inspector	300 hours
Admin. Assistant	120 hours

Mr. Rich Cunningham
Public Works Manager
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Post-Construction/Construction Wrap-Up

Senior Engineer	40 hours
Project Inspector	30 hours
Admin. Assistant	20 hours

TOTAL HOURS:

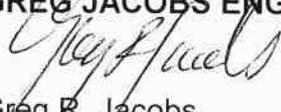
Senior Engineer	490.0 hrs	@ \$135/hr	\$66,150.00
Project Inspector	350.0 hrs	@ 85/hr	29,750.00
Admin. Assistant	150.0 hrs	@ 75/hr	<u>11,250.00</u>

TOTAL \$107,150.00

If you have any questions, please contact me at (925) 254-9525.

Sincerely,

GREG JACOBS ENGINEERS



Greg R. Jacobs

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