

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

Agenda Date: March 16, 2020  
Reviewed by: NA

**SUBJECT:** CIP Project 32000, Annual Sewer Rehabilitation – Approval of Contract Change Order #3 to Contract No. C18-10

**REPORT BY:** Robert Gonzales, CIP Manager  
Mark Hurley, Public Works Director/City Engineer

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**SUMMARY**

The issue before the Council is to approve Contract Change Order (CCO) #3 to Contract No. C18-10 with Ranger Pipelines Incorporated (Ranger) in the amount \$259,843.

On June 4, 2018, Council awarded Contract No. C18-10 to Ranger to construct the 2018 Sanitary Sewer Rehabilitation Project (Project). The Project, including work authorized under Change Order #1 and Change Order #2, is 90% complete and Ranger has performed well. City of Albany (City) is within 261 feet of its FY2020 compliance target. To continue the rehabilitation efforts required in the Consent Decree between the City and United States Environmental Protection Agency (US EPA), staff requested a cost proposal from Ranger to construct a portion of the 2020 Sanitary Sewer Rehabilitation Project. Ranger provided a proposal and staff has found this proposal to be cost competitive with the current construction market and in compliance with the City's contracting requirements.

**STAFF RECOMMENDATION**

That the Council adopt Resolution No. 2020-28 authorizing the City Manager to execute Contract Change Order #3 to Contract No. C18-10 with Ranger Pipelines Inc. in the not-to-exceed amount of \$259,823.

**BACKGROUND**

The City owns and maintains approximately 32 miles of sewer main and 14 miles of lower laterals. Sewer mains that have not yet been replaced or rehabilitated are predominantly made of vitrified clay with cement mortar joints. Most clay pipes in Albany's system are over 60 years old and are in a deteriorated condition. Root intrusion through the joints has caused fracturing and other pipe defects, which increase the risk of a major structural failure or blockage. Joint offsets allow inflow and infiltration into the local and regional sewer system and contribute to sanitary sewer overflows.

In 2014, the City entered into a Consent Decree agreement which requires rehabilitation of at least 5,706 linear feet of sewer main per year. Consequently, the City adopted the Sewer Master Plan which outlines the steps the City will take to comply with the Consent Decree.

In April 2018 communications with the US EPA indicated that the City is out of compliance with its annual requirements for sewer rehabilitation. Since that time, the City has rehabilitated approximately 19,200 feet of sewer main and has satisfied its sewer main compliance target for FY2019. Adding Peralta sewer rehabilitation work via this proposed change order will add 878 feet, thus satisfying the compliance requirements for 2020.

**Compliance Summary**

Fiscal Year	Cumulative Requirement (feet)	Cumulative Performance (feet)	Shortfall
2014	5,706	0	-5,706
2015	11,412	96	-11,316
2016	17,118	9,484	-7,634
2017	22,824	14,947	-7,877
2018	28,530	16,017	-12,513
2019	34,236	29,073	-5,163
2020	39,942	39,681	-261

On June 4, 2018, Council awarded Contract No. C18-10 to Ranger Pipelines Incorporated to construct the 2018 Sanitary Sewer Rehabilitation Project which includes approximately 9,700 feet of sewer pipeline (Resolution No. 2018-78). On February 19, 2019, Council awarded Contract Change Order #1 to Ranger Pipelines for an additional 9,500 feet of sewer main and associated lower laterals (Resolution No. 2019-17) for \$3,318,195. On October 7, 2019, Council awarded Contract Change Order #2 to Ranger Pipelines for the 2020 Sewer Rehabilitation Project - Phase A for an additional 4,413 feet of sewer main and associated lower laterals (Resolution No. 2019-83) in an additional amount of \$1,624,870. This work is anticipated for completion in April 2020.

**DISCUSSION**

Ranger Pipeline is currently performing work for the 2020 Sanitary Sewer Rehabilitation Project – Phase A including pipebursting 8-inch and 10-inch pipeline reaches. This work is scheduled for completion in April 2020. To meet the schedule requirements of the Consent Decree, staff recommends that an additional 846 feet of pipebursting on Peralta Avenue between Solano and Marin Avenue be added to Ranger’s contract via a change order (sole source award) rather than going through the standard bidding process. The City Charter and Municipal Code allow for this option when “strict compliance with competitive selection or bidding requirements would be unavailing, or would not produce an advantage, or would be undesirable, impractical, or impossible” (Municipal Code Section 13-20). In this instance, going through the standard bidding process would not produce an advantage for several key reasons.

First, the negotiated price for the change order is reflective of what would be achieved through bidding so there is no cost advantage. In December 2019, staff requested a cost proposal from Ranger to construct the proposed scope. Staff then compared Ranger’s

proposal to the engineer’s estimate and past bids including those received by other East Bay agencies who are also subject to the same Consent Decree.

Ranger’s proposed cost for this scope of work is \$259,823. Ranger has maintained its current contract pricing. Ranger’s price is approximately 11 percent less than the engineer’s estimate for this project (\$278,055). Additionally, Ranger’s average unit cost of \$328 per linear foot of sewer main rehabilitation work is fair and competitive when compared to what other contractors have bid on previous City sewer projects as well as those received by East Bay agencies within the last four months. Staff has reviewed Ranger’s proposal in detail and concluded that it is competitive in the current construction market.

In a separate agenda item, staff is requesting authority to advertise the next phase of sewer rehabilitation work through a competitive bidding process.

**ENVIRONMENTAL CLEARANCE**

The proposed work consists of the rehabilitation of an existing sewerage facility to meet current standards of public health and safety and is determined to be categorically exempt under CEQA.

**SUSTAINABILITY CONSIDERATIONS**

The rehabilitation of sanitary sewer mains and lower laterals prevents sanitary sewer overflows (SSOs). SSOs can reach storm drains and the San Francisco Bay causing unhealthy bacteria and pollutant levels. Rehabilitating the City’s sewer mains and lower laterals to reduce SSOs is a requirement of the Consent Decree.

**FINANCIAL SUMMARY**

The budget for this project (CIP 32000 – Annual Sewer Rehabilitation) was included as part of the City’s Capital Improvement Program last updated on March 19, 2018 (Resolution No. 2018-36). The following table details the approved budget and funding source for this project and the additional budget adjustments recommended in this Staff Report.

<b><u>Expenditures</u></b>	<b><u>FY 18/19</u></b>
Professional Services	
Construction	\$249,823
Contingency	\$10,000
Total Expenditures	\$259,823
<b><u>Funding Sources</u></b>	
Sewer Capital Project (4002)	2,900,000
<b>Total Funding Sources</b>	<b>\$2,900,000</b>

As of February 27, 2020, the City has either spent or encumbered a total of \$9,678,000 for the Sanitary Sewer Rehabilitation Program. Funding for this project was appropriated as part of the Sewer Capital Project appropriations.

**Attachments**

1. Resolution No. 2020-28
2. Contract Change Order #3
3. Sanitary Sewer Rehabilitation Project Location Map for Change Order #3





CITY OF ALBANY  
PUBLIC WORKS DEPARTMENT  
1000 SAN PABLO AVENUE  
ALBANY, CA 94706

**CONTRACT CHANGE ORDER No. 3**

**CONTRACT:** 2018 Sanitary Sewer Rehabilitation Project  
Contract No. C18-10

Page 1 of 3  
March 4, 2020

**CONTRACTOR:** Ranger Pipelines Incorporated  
P.O. Box 24109, San Francisco, CA 94124

*You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications on your contract.*

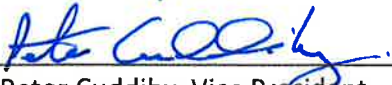
**DESCRIPTION OF WORK**

1. Description of work, item costs and special requirements are shown on the attached Ranger Pipelines Inc. cost proposal dated February 14, 2020.

**Net Total Increase in Contract Amount Not to Exceed: \$259,823.00**

We, the undersigned contractor, have given careful consideration to the contract change(s) and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefore the prices shown above.

By reason of this change the contract completion time will be extended by 20 working days from the commencement date given in the Notice to Proceed with Change Order work.

**Contractor:**  
Date Accepted: 3/6/20.  
By:   
Peter Cuddihy, Vice President

**STATEMENT OF ACCOUNT**

Original Contract Price	\$3,373,185.00
Previous Change Orders	\$4,943,065.00
Total to date	\$8,316,250.00
<b>This Change Order</b>	<b>\$259,823.00</b>
Revised Contract Price	<b>\$8,576,073.00</b>
Contract Price Change	+ 3%

**City of Albany:**  
Date Approved: \_\_\_\_\_

By: \_\_\_\_\_  
Nicole Almaguer, City Manager

NOTE: This change order is not effective until approved by the City Manager

**CONTRACT NO. C18-10, CONTRACT CHANGE ORDER #3**

**SPECIAL CONDITIONS**

**A. Change Order #3 Documents:**

The Change Order documents incorporated herein and into this contract include and comprised of the following:

1. Contract No. C18-10 including CCO#1 and #2 and all documents incorporated into the contract
2. Plans for the 2020 Sanitary Sewer Improvement Project – Peralta Avenue, prepared by Nute Engineering. Construction plans to be provided prior to start of construction.
3. Cost proposal submitted by Ranger Pipelines dated February 14, 2020
4. Traffic control plans (to be submitted for City review and approval)

**B. Time for completion of Contract Change Order**

The change order work shall have a completion time limit of 20 working days from the commencement date given in the Notice to Proceed with Change Order Work. If contractor fails to complete the change order work within the completion time limit, the Liquidated Damages section of the contract shall apply.

**C. Scope of Work:**

The 2020 Sanitary Sewer Rehabilitation project – Peralta Avenue includes replacement of approximately 846 linear feet of sewer main on Peralta Avenue. Work includes, but not limited to, the replacement of sewer main, lower laterals, fittings and connections; rehabilitation/installation of sewer manholes; replacement of damaged concrete sidewalk; and pavement repair.

**E. Submittals:**

Within 15 calendar days following approval of the contract change order, contractor shall submit the following:

1. Traffic control plans for individual streets
2. Plumbing and Encroachment Permit application and required submittals
3. Updated Payment and Performance bonds and insurance certificates

Last revised: March 5, 2020



CITY OF ALBANY		2020 SANITARY SEWER REHABILITATION PROJECT - PHASE A - PERALTA CONTRACT NO. C18-10, CCO#3		# 8833		ESTIMATE	
BID ITEMS		QUANTITIES PER SHEET					
No.	Description/Caption	Item Count	U/M	Bid Quant	Bid U/M	Unit Cost (\$)	Item Cost (\$)
1	8.63" HDPE SEWER MAIN - PIPEBURST	846	LF	388	LF	225	190,350
2	FIELD LOCATE BURIED MANHOLES AND RODHOLES	0	EA	458	EA	500	500
3	REMOVE EXISTING RODHOLES	2	EA	1	EA	500	1,000
4	STANDARD 4" MANHOLES	2	EA	1	EA	5,000	10,000
5	REHABILITATE EXISTING MANHOLES WITH MORTAR BASE COAT AND CORROSION BARRIER COATING SYSTEM	19.0	VF	19.0	VF	500	9,500
6	CONNECT TO EXISTING MANHOLES, REBUILD CHANNELS, PATCH INTERIOR WITH WATER PLUG	2	EA	1	EA	800	1,600
7	REPLACE MANHOLE FRAME AND COVER	2	EA	1	EA	800	1,600
8	FIELD LOCATE AND POTHOLE EXISTING LATERALS	18	EA	11	EA	110	1,980
9	6" LOWER LATERAL, FITTINGS AND CONNECTIONS (PIPE BURST)	20	LF	20	LF	70	1,400
10	6" LOWER LATERALS LESS THAN 6' LONG	1	EA	1	EA	600	600
11	6" LATERAL CLEANOUT, CAP AND CLEANOUT BOX	1	EA	1	EA	300	300
12	4" LOWER LATERAL, FITTINGS & CONNECTIONS (PIPE BURST)	180	LF	180	LF	55	9,900
13	4" LOWER LATERALS LESS THAN 6' LONG	6	EA	6	EA	500	3,000
14	4" LATERAL CLEANOUT, CAP AND CLEANOUT BOX	9	EA	9	EA	275	2,475
15	4" LATERAL RECONNECTION TO SEWER MAIN	1	EA	1	EA	200	200
16	CURB AND GUTTER REPLACEMENT	40	LF	40	LF	30	1,200
17	CONCRETE SIDEWALK AND DRIVEWAY APPROACH REPLACEMENT	340	SF	180	SF	7	2,380
18	ASPHALT CONCRETE REPAIR AND PAVEMENT MARKINGS	1,000	SF	700	SF	2	2,000
19	SHORING FOR ALL EXCAVATIONS	1	LS	300	LS	3,350	3,350
20	TRAFFIC CONTROL AND NOTIFICATIONS	1	LS	1	LS	2,500	2,500
21	INTERNAL TELEVISION OF SEWER MAINS	1,692	LF	776	LF	2	2,538
22	AIR TESTING OF MANHOLES AND SEWER PIPES	1	LS	1	LS	1,450	1,450
23	SUPPLEMENTAL WORK	1	TBD	1	TBD	10,000	10,000
						<b>SUBTOTAL =</b>	<b>\$259,823</b>

TOTAL MAIN LINE REPLACED = 846

AREA MAP PERALTA AVENUE SEWER REPLACEMENT

CCO#3

