



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** AUGUST 4, 2009

**ITEM NUMBER:**

**SUBJECT:** STORM DRAIN REPAIR AT 755-785 WEST 17<sup>TH</sup> STREET - CITY PROJECT NO. 08-19

**DATE:** JULY 23, 2009

**FROM:** PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

**PRESENTATION BY:** PETER NAGHAVI, DIRECTOR, DEPARTMENT OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ERNESTO MUÑOZ, CITY ENGINEER, (714) 754-5335

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## **RECOMMENDATION:**

1. Adopt plans, specifications, and working details for the storm drain repair at 755-785 West 17<sup>th</sup> Street, City Project No. 08-19.
2. Approve Budget Adjustment No. 10-002 (Attachment "1") in the amount of \$87,975.00.
3. Award a construction contract to RePipe-California, Inc., 5525 East Gibraltar Street, Ontario, California, 91764, in the amount of \$87,975.00.
4. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

## **BACKGROUND:**

An application for the development of Parcel Map 2006-286 was submitted to the City on November 21, 2006 to subdivide a four-acre parcel located at the southeast corner of the intersection of Placentia Avenue and West 17th Street, converting an existing industrial site into a four lot industrial condominium development. The City, as part of the conditioning process, required the upgrade of an existing storm drain system. Presently, this property and the three adjoining properties (south and east of 755 West 17<sup>th</sup> Street) drain into an existing 24-inch in diameter corrugated metal pipe (CMP) drainage system. This section of CMP is approximately 450 feet in length and connects into a larger concrete pipe system. The CMP is over 36 years old and is beginning to show signs of deterioration which could lead to leakage and potential collapse. As such, the engineering staff recommends the relining of the CMP with a high strength PVC material, thereby extending service life for this section of the storm drain system almost indefinitely.

The required hydrology report substantiated that the property being developed under Parcel Map 2006-286 contributes 42.5% of the total runoff being carried into this specific branch of the City's storm drain system. Accordingly, the developer entered into a supplemental agreement with the City to participate in the upgrading of the storm drain, and agreed to reimburse the City for their 42.5% portion of the storm drain work, which equates to \$37,389 of the project costs. As of this date, the developer has forwarded the reimbursement monies to the City, and the relining of the storm drain will finalize the terms of the development agreement for Parcel Map 2006-286. Since the other three properties are not being developed at this time, the City is obligated to cover the balance of the costs for the upgrading of the storm drain system and will be reimbursed in the future when the properties are developed.

The scope of work for this project consists of relining an existing 24-inch CMP with a high strength PVC material in accordance with the engineering recommendation. In addition, the access to the storm drain system will be enhanced with the construction of two additional manholes.

**ANALYSIS:**

On April 27, 2009, the City Clerk received and opened three (3) bids for this project. RePipe California, Inc. was the apparent low bidder with a bid proposal of \$87,975.00. The Engineer's estimate was \$144,250.00; and the average of the three (3) bids received for this project amounted to \$107,486.83.

An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 39 percent (39%) lower than the Engineer's estimate. The variance between the low bidder and the Engineer's estimate may be attributed to the highly competitive conditions in the construction industry at this time. The Bid Abstract is included as Attachment "2".

The license and references of RePipe California, Inc. were checked and staff has found them to be in good standing.

**ALTERNATIVES CONSIDERED:**

The alternative to this Council action would be to reject all the bids. If all the bids were rejected, the City would need to readvertise or cancel the project. Staff believes that readvertising the project will not result in lower bids.

**FISCAL REVIEW:**

Funding for this project is available from the Drainage Fee Fund, and a \$37,389.00 contribution from the developer of 755 West 17<sup>th</sup> Street for their portion of the storm drain work. The attached Budget Adjustment No. 10-002 recognizes the Drainage Fee Fund allocation, and the \$37,389.00 developer share of the costs.

**LEGAL REVIEW:**

RePipe California, Inc. has furnished the necessary bonds and insurance, which have been approved as to form by the City Attorney. After the award and subsequent execution of the contract, a "Notice to Proceed" will be issued.

**CONCLUSION:**

The advertisement and bid opening for the storm drain repair at 755-785 West 17<sup>th</sup> Street, City Project No. 08-19 has been completed. It is recommended that the City Council adopt the plans, specifications, and working details for said project; approve Budget Adjustment No. 10-002, in the amount of \$87,975.00; award the contract to the apparent low bidder Re-Pipe California, Inc. in the amount of \$87,975.00; and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

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ERNESTO MUÑOZ  
City Engineer

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PETER NAGHAVI, DIRECTOR  
Department of Public Services

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MARC R. PUCKETT  
Director of Finance

ATTACHMENTS:    "1"   [Budget Adjustment No. 10-002](#)  
                      "2"   [Bid Abstract](#)

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