



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 17, 2014

ITEM NUMBER:

SUBJECT: INDUSTRIAL WAY WATER QUALITY AND STORM DRAIN IMPROVEMENTS, CITY PROJECT NO. 14-08

DATE: JUNE 5, 2014

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: FARIBA FAZELI, CITY ENGINEER, (714) 754-5335

RECOMMENDATION:

1. Adopt plans, specifications, and working details for the Industrial Way Water Quality and Storm Drain Improvements, City Project No. 14-08.
2. Accept bid withdrawal submitted by Mike Pritch and Sons, Inc., 5103 Elton Street, Baldwin Park, CA 91706.
3. Award a construction contract to Lonerock, Inc., 70 Domani, Irvine, CA 92618, in the amount of \$2,553,940.00.
4. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

The existing storm drain system serving the area bounded by West 19th Street to the north, West 16th Street to the south, Newport Boulevard to the east, and Placentia Avenue to the west was constructed decades ago and is significantly undersized to meet the current volume of surface water produced during wet seasons.

In order to mitigate, and substantially reduce the flooding potential in this area of the City, a detention/infiltration basin as well as a parallel underground storm drain system must be constructed. The proposed storm drain improvements will increase the capacity of the entire storm drain system by 20%, thereby substantially reducing potential flooding in this area. In addition, it will minimize accumulated surface pollutants from the surrounding area that are currently entering into the storm drains and flowing directly to the Pacific Ocean contributing to significant contamination of the harbor and beaches.

In March 2013, staff was successful in capturing grant funding of \$2.8 million for this project, from the Orange County Transportation Authority (OCTA), Measure M2 Environmental Cleanup Program, Tier 2, which provides funds to assist jurisdictions with transportation-related water quality improvements.

ANALYSIS:

The Industrial Way Water Quality and Storm Drain Improvements project consists of the construction of a detention/infiltration basin at Lions Park within the open space area adjacent to Anaheim Avenue, located between the Historical Society and the Downtown Recreation Center, and a parallel storm drain system on Anaheim Avenue between Plumer Street and 18th Street; and all other tasks necessary to perform and complete the work as required per the contract documents.

The City Clerk received and opened thirteen (13) bids for this project on April 28, 2014. Mike Prlich and Sons, Inc., the apparent low bidder, requested its bid be withdrawn from consideration for this project due to a clerical error (Attachment 1). As allowed under the California Public Contract Code Section 5101(b) staff recommends the acceptance of the bid withdrawal.

The second apparent low bidder, Lonerock, Inc., submitted a bid proposal in the amount of \$2,553,940.00 and is being recommended for acceptance. The Engineer's estimate for this work was \$2,556,355.00 and the average of the remaining twelve (12) bids received amounted to \$2,934,107.71. An analysis of the bids indicates that the recommended apparent low bidder, Lonerock, Inc., submitted a bid proposal that is less than one percent lower than the Engineer's estimate for this project. The Bid Abstract is included as Attachment "2".

The license and references of Lonerock, Inc., were checked and staff has found them to be in good standing. Additionally, in 2006, Lonerock, Inc., successfully completed storm drain improvements along Fair Drive from Vanguard Way to Fairview Road.

ALTERNATIVES CONSIDERED:

The alternative to this Council action would be to reject all of the bids and re-advertise the project. However, staff believes that re-bidding the project will not result in lower bids, and will jeopardize the grant requirement of awarding the construction contract before July 1, 2014. Therefore, this alternative is not recommended.

FISCAL REVIEW:

The Engineering Division has captured Measure M2 Environmental Cleanup Program (ECP), Tier 2 OCTA grant from the Orange County Transportation Authority (OCTA) for this project. The grant will cover 60 percent of the total project cost up to \$2.8 million. The City will match the grant funds with Drainage Fees and in-kind services performed by the Engineering Division staff. City Council has recognized the grant and allocated \$3,371,600 for this project in Fiscal Year 2013-2014.

LEGAL REVIEW:

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

CONCLUSION:

The City has received bids for the Industrial Way Water Quality and Storm Drain Improvement Project, City Project No. 14-08. Staff has evaluated all of the bids and recommends that the City Council adopt the plans, specifications, and working details for said project; accept the bid withdrawal submitted by Mike Prlich and Sons, Inc.; award a contract to the apparent low bidder Lonerock, Inc. in the amount of \$2,553,940.00; and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

ERNESTO MUNOZ
Public Services Director

FARIBA FAZELI
City Engineer

ATTACHMENTS: 1. [Bid Withdrawal Letter](#)
 2. [Bid Abstract](#)

DISTRIBUTION: Chief Executive Officer
 Assistant Chief Executive Officer
 City Attorney
 City Clerk
 Staff
 File