

Agenda Item: {{section.number}}{{item.number}}

February 3, 2025

TO: THE ENGINEERING, OPERATIONS, AND WATER RESOURCES COMMITTEE

Director Gracie Torres

Director Fauzia Rizvi

FROM: Tim Barr, Deputy General Manager

AWARD A CONSTRUCTION CONTRACT FOR THE ORANGECREST PIPELINE REPLACEMENT PROJECT (W-311A) AND A PROFESSIONAL SERVICES CONTRACT FOR CONSTRUCTION MANAGEMENT AND INSPECTION OF THE ORANGECREST PIPELINE REPLACEMENT PROJECT AND THE LAKE MATTHEWS PIPELINE REPLACEMENT PROJECT (W-311A & W-311B)

RECOMMENDATION:

Staff requests that the Engineering, Operations, and Water Resources Committee recommend the Board of Directors:

1. Approve an increase in the capital project budget of \$4,555,500 from \$444,500 to \$5,000,000 for the Orangecrest Pipeline Replacement Project (W-311A) (“Project”) included in the Linear Asset Management Program of the Fiscal Year 2024-2025 Board adopted Capital Improvement and Facilities Plan under the Asset Replacement Reserve RES05 of the Riverside Potable Water Fund 20; and
2. Award a construction contract in the amount of \$3,182,193 to Pacific West Underground of Yucaipa, California for the construction of the project; and
3. Award a professional services contract to LAE Associates, Inc. for Construction Management and Inspection, in the amount of \$599,866 for construction management and inspection services for the both the Orangecrest Pipeline Replacement Project (W-311A) and the Lake Matthews Pipeline Replacement Project (W-311B), which will be considered through a separate Board action.

EXECUTIVE SUMMARY:

As part of Western Municipal Water District's mission to supply customers with safe and reliable drinking water, replacement of aging infrastructure is essential. The 7,715 linear feet of pipeline infrastructure being replaced in this Project is among the oldest pipelines that have required repeated spot repairs due to leaks. The aged pipelines will be removed and replaced or closely paralleled with modern PVC pipelines with anticipated life spans much longer than the steel pipelines.

BUDGET IMPACT:

The proposed budget increase for the Project, in the amount of \$4,555,500, was anticipated and is within the funding allocated in the \$5,250,000 Linear Asset Management Program included in the Fiscal Year 2024-2025 Board-adopted Capital Improvement and Facilities Plan under the Asset Replacement Reserve RES05 of the Riverside Potable Water Fund 20. The Asset Replacement Reserve will be reimbursed by the 2020A Bond proceeds and/or the 2022 Revolving Notes (Line of Credit) for Western Water's Pipeline Replacement Program.

DETAIL:

Municipal Water District (Western Water) has developed a program to prioritize pipe replacement based on factors such as age, material, and leak history to prioritize areas in need of replacement. The program aims to address pipelines that pose the highest risk of failure and disruption. The frequency of ruptures has been increasing over time. The proposed Project focuses on replacing aging pipelines within the Orangecrest area, specifically along Woodlake Drive, Gustin Road, Gila Way, and Colt Street. A vicinity map illustrating the specific locations of the proposed replacement projects is Western attached (Attachment 5). The existing pipelines are constructed from steel pipe wrapped with asphalt as an anti-corrosion coating. They have served Western Water well, but the protective asphalt coating has deteriorated with age and the frequency of repairs required has increased significantly. Some pipeline segments in this project will be increased in diameter at strategic locations to improve water distribution service pressures and increase the flow rate available for fire suppression in the area. Engineering design services for the Project were authorized in a previous Board action. The status of pipeline replacement projects previously authorized in the Linear Asset Management Program are shown below.

Project	Date of Board Authorization	Project Cost	Pipelines Replaced	Status
Gilley Adams DeKay (W-240)	July 7, 2021	\$3,600,000	3,549 Linear Feet (LF)	Complete
Lake Hills (W-298)	Feb. 16, 2022	\$1,770,000	2,030 LF	Complete
Mission Grove (W-306A)	Dec. 21, 2022	\$4,400,000	6,300 LF	Complete
Woodcrest (W-306B)	April 19, 2023	\$4,780,000	5,332 LF	Complete
TOTALS		\$14,550,000	17,211 LF (3.26 miles)	

Construction Contract:

Staff advertised the construction of the Project for public bidding on November 15, 2024. The Engineer's opinion of probable cost was \$3,007,591. Fifteen bids were opened at 2:00 PM on December 19, 2024. At bid opening, the bid from Pacific West Underground of Yucaipa, California, indicating a total bid price of \$3,182,193 was the apparent low bid. A detailed review of the bids by the contract design engineer and staff (Attachments 1 and 2) verified the bid as conforming to requirements and as the lowest responsible and responsive bid. The ranking table below presents the bid amounts received.

CONTRACTOR	BASE ¹	ADDITIVE ¹	TOTAL ¹	RANK
Pacific West Underground Inc., Yucaipa	\$2,787,953	\$394,240	\$3,182,193	1
Ferreira, Rancho Cucamonga ²	\$3,323,934	\$261,734	\$3,585,668	2
All Cities Engineering, Riverside	\$3,471,662	\$221,490	\$3,693,158	3
CEM Construction, Montebello ²	\$3,597,425	\$63,500	\$3,793,333	4
Bonadiman Water, Perris	\$3,632,868	\$212,927	\$3,845,795	5
CSI Services, San Pedro	\$3,552,568	\$362,460	\$3,915,028	6
TE Roberts, Irvine	\$3,649,486	\$344,074	\$3,993,560	7
Downing Construction, Redlands	\$4,020,256	\$228,926	\$4,249,182	8
Primoris ARB, Lake Forest	\$4,091,864	\$234,227	\$4,326,091	9
CHI Construction, Fullerton	\$4,363,559	\$166,696	\$4,530,255	10
RE Chaffee, Wrightwood	\$4,018,246	\$587,229	\$4,605,475	11
Big Ben Engineering, Irvine	\$4,341,822	\$314,038	\$4,655,860	12
J&L Constructors, Huntington Beach	\$4,499,815	\$248,307	\$4,748,122	13
EJ Meyer, Yucaipa	\$4,612,209	\$332,235	\$4,944,444	14
CCL Contracting, Escondido	\$5,337,061	\$1,906,234	\$7,243,295	15

1. All dollar values in the table above are rounded to the nearest whole dollar.

2. For the ranking table above, errors in this bidder's numbers were corrected by Western Water's team reviewing the submitted bids. Correcting the values had no impact on the final award recommendation.

Construction Management Contract:

Western Water issued a Request for Proposals for Construction Management and Inspection (CM&I) Services for the Project on November 15, 2024. Eleven proposals were received on December 19, 2024. A listing of the ranked proposals is provided in the table below:

CONSTRUCTION MANAGEMENT SERVICES	
Professional Engineering Service	RANK
LAE Associates	1
MKN & Associates	2
Albert A. Webb Associates	3
Michael Baker International	4
Berg & Associates	5
Lee & Ro	6
Willdan Engineering	7
TKE Engineering	8
ERSC (Engineering Resources of So Cal)	9
Onward Engineering	10
Kane Construction Services	11

A five-member panel made up of Western Water staff evaluated the proposals based on the following criteria:

1. Understanding of the work to be performed (25%)
2. Approach to the project (30%)
3. Experience and technical competence (30%), and
4. Appropriateness of the proposed level of effort (15%)

After ranking all proposals based on the criteria described above, LAE Associates' proposal (Attachment 4) was deemed the highest-ranking proposal for the requested services. Based on current market conditions and the required level of effort for the two projects, staff also concluded that the \$599,866 in fees was reasonable.

Project Cost Summary:

The costs associated with the Project along Woodlake Drive, Gustin Road, Gila Way, and Colt Street are listed in the table below:

Orangecrest Pipeline Replacement Project (W-311A)	
<u>Task</u>	<u>Cost</u>
Planning and Design Work through December 23, 2024 (Michael Baker International and Western staff)	\$588,875
Construction (Pacific West Underground)	\$3,182,193
Construction Management & Inspection (LAE Associates) *	\$599,866
Western Water Staff Resources (Engineering and Operations)	\$120,000
Design Engineer's Services during Construction (Michael Baker International; Attachment 3)	\$54,100
Sub Total	\$4,545,034
Project contingency (~10%)	\$454,966
Grand Total	\$5,000,000

*Costs shown for Construction Management and Inspection services are for both this project, Orangecrest Pipeline Replacement (W-311A), and the Lake Matthews Pipeline Replacement Project (W311-B), the subject of a concurrent Board authorization request. At the conclusion of the work for both projects, the appropriate portion of costs will be transferred to the W-311B project.

Reason for Action:

After careful analysis, staff have identified the replacement of 7,715 linear feet of existing water pipelines in the Orangecrest Area as a priority project. When complete, this project will provide significant benefits to the potable water distribution system, including improved reliability, enhanced efficiency, and reduced maintenance costs.

Solution:

Increase the Project budget, award a Construction contract to Pacific West Underground and award a professional services contract for CM&I services to LAE Associates.

STRATEGIC PRIORITIES REFERENCE:

This project is consistent with Western Water's Strategic Priorities for Superior Service and Financial Stewardship.

PROPOSED DATE OF ACTION:

If approved by the Committee, this item is scheduled for consideration by the full Board of Directors at their meeting on February 19, 2025.

LEGAL COUNSEL REVIEW:

Not applicable.

Respectfully submitted by:

Tim Barr, Deputy General Manager

Attachments:

1. Design engineer's (Michael Baker International) recommendation letter
2. Design engineer's construction contract bid review analysis
3. Design engineer's support services during construction proposal with estimated fee
4. LAE Associates' construction management services proposal with estimated fee
5. Vicinity map