



AGENDA ITEM

Public Utilities Commission

City and County of San Francisco



DEPARTMENT Water Enterprise AGENDA NO. _____
 MEETING DATE October 27, 2009

Construction Award: Regular Calendar
Project Manager: Joseph L. Ortiz

Contract No. WD-2541, Award, Bay Division Pipeline No. 5 - East Bay Reaches

Summary of Proposed Commission Action:	Approve the plans and specifications, and award Water Enterprise Water System Improvement Program Program-funded Contract No. WD-2541, Bay Division Pipeline No. 5 - East Bay Reaches, in the amount of \$61,558,005 to the lowest, qualified, responsible and responsive bidder, Ranger Pipelines, Inc., to construct the East Bay segment of the new Bay Division Pipeline No. 5.
Background:	<p>The Bay Division Pipeline Reliability Upgrade Project proposes to build a fifth Bay Division Pipeline (BDPL 5), approximately 16 miles long, alongside Pipelines 1 and 2, and a 5-mile long tunnel beneath San Francisco Bay. The pipeline portion of the project is split into two contracts: a 7-mile East Bay segment and a 9-mile Peninsula segment.</p> <p>The 7-mile East Bay segment of the new BDPL5 will be built almost entirely within the existing BDPL Nos. 1 and 2 Right of Way. The new pipeline will commence at Mission Blvd in Fremont, cross the cities of Fremont and Newark, and end at the Newark Valve lot in Newark, where it will connect to the proposed Bay Tunnel.</p>
Result of Inaction:	A delay or denial awarding this contract will prevent one of the Water System Improvement Program (WSIP) seismic reliability projects from moving into construction. The new BDPL5 will provide a seismically engineered conduit to continue water deliveries following a major earthquake, and allow the SFPUC to safely take portions of the system out of service for regular maintenance without jeopardizing the reliability of local water supplies.

APPROVAL:

DEPARTMENT / BUREAU _____ COMMISSION SECRETARY <u>Mike Housh</u>	FINANCE <u>Todd L. Rydstrom</u> GENERAL MANAGER <u>Ed Harrington</u>
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Budget & Costs:	Baseline Budget: \$ 97,911,640 Engineer's Estimate: \$97,711,640 Award: \$61,558,005 Funding: Project No. CUW36802, Bay Division Pipeline No. 5				
Schedule:	NTP: December 21, 2009 End: January 31, 2012 Duration: Seven-hundred seventy-one (771) consecutive calendar days (25 months plus 21 days)				
Compliance With Chapter 14B: Local Business Enterprise (LBE) And Non-Discrimination In Contracting Ordinance:	Set: 3% Local Business Enterprise (LBE) Submitted: 3.14% LBE				
Environmental Review:	The San Francisco Planning Commission certified a Final Environmental Impact Report (EIR) for Project No. CUW36801/CUW36802, Bay Division Pipeline Reliability Upgrade Project, on July 9, 2009.				
Bid History:	Advertised: July 16, 2009 Bids Received: Sealed bids were received from eight firms on September 17, 2009, as follows:				
	Bid Rank	Bid Amount	Bid Preference	Adjusted Bid	Adjusted Rank
	Ranger Pipelines, Inc.	\$61,558,005	0%	\$61,558,005	1
	SJ Louis Construction, Inc.	\$64,420,560	0%	\$64,420,560	2
	Don Kelly Construction	\$68,448,300	0%	\$68,448,300	3
	Steve P. Rados, Inc.	\$68,680,760	0%	\$68,680,760	4
	Oscar Renda Contracting, Inc.	\$72,136,544	0%	\$72,136,544	5
	Las Vegas Paving Corporation	\$76,183,605	0%	\$76,183,605	6
	L.H. Woods & Sons, Inc.	\$86,027,610	0%	\$86,027,610	7
	Mountain Cascade	\$1,507,944,960	0%	\$1,507,944,960*	8

	<p>* Evidently Mountain Cascade made a math error in their bid. When staff checked the sum total of bid items contained in the Mountain Cascade bid documents, the amount given in the table above is the correct amount of their bid.</p> <p>Application of bid preferences do not apply to this contract as the engineer's estimate is in excess of \$10,000,000.</p> <p>Project Review Checklist: The attached Project Review Checklist documents all the reviews performed during the planning and design phases of Contract No. WD-2541.</p>
<p>Description of Scope of Work:</p>	<p>The proposed pipeline will be built almost entirely within the existing BDPL Nos. 1 and 2, right-of-way. The 7-mile East Bay portion will commence at Mission Blvd in Fremont, cross the cities of Fremont and Newark, and end at the Newark Valve lot in Newark, where it will connect to the proposed Tunnel. The proposed pipeline will be 72-inch diameter welded steel. With few exceptions, the existing right-of-way is owned in fee by the SFPUC, and it crosses open areas, streets, parks, schools, parking lots, etc. For certain crossings, such as major highways, freeways and railroads, the new pipeline will be either jack-and-bored or micro-tunneled under these features. At the Hayward Fault crossing, a thicker segment of pipe will be built. Valve structures and control buildings will also be built at several locations along the new pipeline alignment.</p>
<p>Recommendation:</p>	<p>SFPUC staff recommends that the Commission adopt the attached resolution.</p>
<p>Attachments:</p>	<ol style="list-style-type: none"> 1. SFPUC Resolution 2. HRC Memo 3. Project Review Checklist

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 09-0181

WHEREAS, Contract No. WD-2541, Bay Division Pipeline No. 5 - East Bay Reaches was advertised on July 16, 2009; and

WHEREAS, The baseline budget amount is \$97,911,640 and the Engineer's Estimate: \$97,711,640 for this construction contract work to construct the new Bay Division Pipeline No. 5 - East Bay Reaches; and

WHEREAS, The contract duration is 771 consecutive calendar days; and

WHEREAS, Eight (8) bids were received and opened publicly on September 17, 2009; and

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff and Human Rights Commission (HRC) review of the bids for qualifications, responsibility, responsiveness and application of bid preferences resulted in the establishment of Ranger Pipelines as the lowest, qualified, responsible and responsive bidder; and

WHEREAS, A HRC subcontracting goal of 3% Local Business Enterprise (LBE) participation has been established for this contract; and

WHEREAS, The firm being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification from HRC may result in award of the contract to the next lowest, responsible and responsive bidder, or re-bidding of the contract at the discretion of the City; and

WHEREAS, Failure to reach successful agreement on contract terms and conditions within 60 days of the date of the Commission award may result in award of the contract to the next lowest, responsible and responsive bidder, or re-bidding of the contract at the discretion of the City; and

WHEREAS, Funds are available from Project No. CUW36802, Bay Division Pipeline No. 5; and

WHEREAS, on July 14, 2009, this Commission, by Resolution No. 09-0120, approved the Project and adopted findings (CEQA findings) and a Mitigation Monitoring and Reporting Program (MMRP) required by the California Environmental Quality Act (CEQA); and

WHEREAS, the Project files, including the Final Environmental Impact Report (FEIR) and SFPUC Resolution No. 09-0120 have been made available for review by the SFPUC and the public, and those files are part of the record before this Commission; and

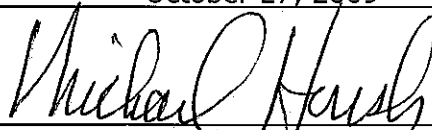
WHEREAS, the Commission has reviewed and considered the information contained in the FEIR, the findings contained in SFPUC Resolution No. 09-0120 and all written and oral information provided by the Planning Department, the public, relevant public agencies, SFPUC and other experts and the administrative files for the Project; now, therefore, be it

RESOLVED, the Commission has reviewed and considered the FEIR and record as a whole, finds that the FEIR is adequate for its use as the decision-making body for the action taken herein to award the construction contract and incorporates the CEQA findings contained in Resolution No. 09-120, including the Statement of Overriding Considerations by this reference thereto as though set forth in this Resolution; and be it further

RESOLVED, The Commission further finds that since the FEIR was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the FEIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the FEIR; and be it further

RESOLVED, That this Commission hereby approves the plans and specifications and awards Water Enterprise Water System Improvement Program-funded Contract No. WD-2541, Bay Division Pipeline No. 5 - East Bay Reaches, in the amount of \$61,558,005, to the lowest, qualified, responsible and responsive bidder, Ranger Pipelines, Inc.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ *October 27, 2009*



Secretary, Public Utilities Commission



Gavin Newsom
Mayor

Contract Compliance
Dispute Resolution/Fair Housing
Small and Micro Business Enterprise
Lesbian Gay Bisexual Transgender & HIV Discrimination

Theresa Sparks
Executive Director

MEMORANDUM

TO: Joseph Ortiz, Project Manager, PUC

FROM: Andrew Houston, Contract Compliance Officer, Human Rights Commission

DATE: October 1, 2009

RE: Award Eligibility for Contract No. WD-2541, Bay Division Pipeline Reliability Upgrade Pipeline #5 (East Bay)

The Human Rights Commission (“HRC”) has received the bids on the above referenced project and has conducted an evaluation for compliance with HRC requirements. An LBE subcontracting participation goal of 3% was established for this contract.

Eight firms submitted bids as follows:

Bidder	Base Bid
Ranger Pipelines, Inc.	\$61,558,005
SJ Louis Construction, Inc.	\$64,420,560
Don Kelly Construction	\$68,448,300
Steve P. Rados, Inc.	\$68,680,760
Oscar Renda Contracting, Inc.	\$72,136,544
Las Vegas Paving Corporation	\$76,183,605
L.H. Woods & Sons, Inc.	\$86,027,610
Mountain Cascade	\$1,507,944,960



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LBE Subcontractor Participation Goals

The lowest bidder, Ranger Pipelines, Inc. (“Ranger”), listed 3.14% participation by HRC-certified LBE subcontractors, as detailed below:

LBE Subcontractor	LBE Status	LBE Listed Amount	LBE Participation
Ferguson Welding Service	OBE	\$ 614,500	1%
Calco Fence Co.	OBE	\$ 140,000	0.23%
M. Hernandez Construction	MBE	\$ 250,000	0.41%
Lee Valley Trucking	OBE	\$ 200,000	0.32%
Michael Heavy	WBE	\$ 530,000	0.86%
Feeny Trucking	OBE	\$ 200,000	0.32%
TOTAL		\$ 1,934,500	3.14%

Based on the above analysis, HRC has determined that Ranger is the lowest responsive bidder, has complied with pre-award HRC 14B requirements and is eligible for award of this contract. If you have any questions, please do not hesitate to contact me at 415-551-4335 or ahouston@swater.org.