



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Public Works  
**Department No.:** 054  
**For Agenda of:** 5/4/2021  
**Placement:** Administrative  
**Estimated Tme:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Directors, Laguna County Sanitation District

**FROM:** Department Director(s) Scott D. McGolpin, P.E. Director, (805) 568-3010  
Contact Info: Leslie Wells, Deputy Director, (805) 882-3605

**SUBJECT:** Laguna County Sanitation North Trunk Line Rehabilitation Phase 2 – Fourth Supervisorial District

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

That the Board of Directors:

- a) Approve plans and specifications for the North Trunk Line Rehabilitation Phase 2 Project, Project No. NRTUN2, on file in the Laguna County Sanitation District office;
- b) Reject the bid protest, and award the construction contract in the base amount of \$958,070 to the lowest responsible bidder, Performance Pipeline Technologies, Incorporated, (not a local vendor), subject to the provision of documents and certifications as set forth in the plans and specifications applicable to the project, as required under California law;
- c) Approve and authorize the Chair to execute the attached Construction Contract with Performance Pipeline Technologies, Incorporated;
- d) Authorize the Public Works Director or designee to approve change orders for a contingency amount up to \$48,000 for the construction of North Trunk Line Rehabilitation Phase 2, Project No. NRTUN2 for a total, not-to-exceed contract amount of \$1,006,070; and
- e) Determine that the action is within the scope of the North Trunk Sewer Rehabilitation project included in the attached, previously posted and filed Notice of Exemption prepared pursuant to

Section 15301(b) of Title 14 of the California Code of Regulations (California Environmental Quality Act Guidelines).

**Summary Text:**

This item is on the agenda in order to consider the award of a construction agreement for the North Trunk Line Rehabilitation Phase 2 project to Performance Pipeline Technologies, Incorporated. The bid submitted by Performance Pipeline Technologies, Incorporated in the amount of \$958,070 was the lowest of six submitted and opened at 2:00 p.m. on Thursday March 4, 2021. Staff has analyzed the bids and determined that it is in accordance with criteria set forth in the bid documents and the California Public Contract Code. Staff finds Performance Pipeline Technologies, Incorporated to be the lowest responsible bidder and recommends award to this contractor as well as a construction contingency of \$48,000 for a total budget authorization of \$1,006,070.

**Background:**

The Laguna County Sanitation District provides wastewater services to the Orcutt and southern Santa Maria area. Approximately 3 miles of the trunk sewer system constructed in 1960 is comprised of asbestos cement sewer pipe (ACP) and is located between the reclamation plant and Blosser Road. Approximately 0.8 mile is 24" and 2.2 miles is 21". ACP typically has a useful life of 50 years, much less than alternative materials, and recent camera inspections show significant deterioration. For this reason, ACP is no longer used for sewer pipeline construction. An initial pilot project conducted on a short section of pipeline was completed in June 2020 to determine what asbestos abatement measures would be required for a full scale lining project. This Phase 2 project consists of lining approximately 1.1 miles from Blosser Road and extending to the easterly terminus of Dutard Road along Santa Maria Public Airport District property. The lining work consists of bypassing, cleaning, and inserting a thin-wall liner between manholes. Asbestos controls will be implemented to comply with environmental regulations. Subsequent phases will be bid out annually until the remaining ACP sections of pipeline are lined.

The proposed rehabilitation work is consistent with repair and maintenance activities identified in the Final Habitat Conservation Plan (HCP) Laguna County Sanitation District Facilities Construction, Operation, and Maintenance Western Santa Maria Valley, Santa Barbara County, California dated February 2017; and Incidental Take Permit (ITP) Number TE16913C-0. Applicable avoidance and minimization measures identified in HCP/ITP will be implemented during the repair work. The work is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(b) of Title 14 of the California Code of Regulations (CCR) because it consists of the operation, maintenance, and repair of an existing public sewer system with no expansion of use. A Notice of Exemption for phased implementation of the North Trunk Sewer Rehabilitation project dated September 26, 2019 was posted at the Clerk of the Board on November 1, 2019 and this project is within the scope of the project description included in that Notice of Exemption.

Six bids were received on March 4, 2021 and the bid submitted by Performance Pipeline Technologies, Incorporated in the amount of \$958,070 was the lowest. This is 42% lower than the engineer's estimate which was \$1,749,960. The highest bid was \$3,412,300, while the average was \$1,777,923.50.

On March 9, 2021, a protest letter was submitted by Tunnelworks Services, Incorporated (attached), who submitted the second lowest bid in the amount of \$1,356,250. In the protest letter, Tunnelworks challenges the responsiveness of Performance Pipeline's submission by alleging that the experience

cited did not conform to the requirements in the bid documents. District staff reviewed the bid protest and determined that the protestor failed to copy Performance Pipeline and thus failed to conform to the applicable procedural requirements for bid protests. While the protest can be rejected on these grounds, District also reviewed the substance of the bid protest and determined that it is without merit. As discussed more fully in the District’s responses to Tunnelworks, Performance Pipeline satisfied the experience requirements in the bid documents, including the requirement to list five similar UV Cured-in-Place sewer pipe lining project references. District staff reviewed of the project references to ensure validity and concluded that Tunnelworks’ protest does not alter its original determination. Therefore, staff recommends rejecting the bid protest on procedural grounds and, additionally, because the protest lacks merit as described above and as discussed further in the attached response letters and electronic correspondence. Staff found Performance Pipeline, Incorporated to be responsive based on a review of the bidding materials and recommends contract award to this vendor.

Lastly, District staff recommends a construction contingency of \$48,000 based on an industry standard of approximately 5% and is considered as reasonable given the project’s size but limited complexity. The total budget authorization requested is therefore, \$1,006,070.

**Performance Measure:**

The project will prevent pipeline failure, reduce maintenance, and extend the life of the trunk system.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State			
Federal			
Fees			
LCSD Capital Reserves	\$ 1,006,070.00		\$ 1,006,070.00
Total	\$ 1,006,070.00	\$ -	\$ 1,006,070.00

The project is part of the annual sewer system repair and replacement program. Laguna County Sanitation District capital replacement reserves will be used to fund the project as a one-time expense. Funds are budgeted in Department 054, Fund 2870, Line Item Account 8200.

**Key Contract Risks:** This contract has a risk assessment of standard. The project is fully funded in the current fiscal year budget.

**Special Instructions:**

Please forward the following to Laguna County Sanitation District in the Santa Maria office of Public Works Department located at 620 West Foster Road to the attention of Martin Wilder:

1. A certified and stamped minute order approving this action.
2. Two duplicate original fully executed contracts (retain the third original for Clerk of the Board files).

**Attachments:**

Attachment A: Three original construction contracts.

Attachment B: Protest documents

Attachment C: Notice of Exemption

**Authored by:**

Martin Wilder, P.E., Manager (805) 803-8750

**Copy:**

File