



AGENDA REPORT

Meeting Date: February 2, 2010

Item Number: F-8

To: Honorable Mayor & City Council

From: Ara Maloyan, Deputy City Engineer *AM*
Samer Elayyan, Civil Engineer

Subject: APPROVAL OF THE AWARD OF A CONTRACT TO THE LOWEST RESPONSIBLE, PRE-QUALIFIED BIDDER, PACIFIC TANK AND CONSTRUCTION, INC., FOR THE DESIGN AND REPLACEMENT OF FIVE WATER RESERVOIRS, REPLACEMENT OF ON-SITE PIPING AT SITES 3A, 4B, 5, 6, AND 7, AND SEISMIC RETROFITTING OF THE ASSOCIATED PUMP STATIONS, WITHIN THE CITY OF BEVERLY HILLS, CALIFORNIA USING "AMERICAN STEEL" IN THE AMOUNT OF \$6,923,900.00; APPROVAL OF THE PLANS AND SPECIFICATIONS THEREFOR; AND

APPROVAL OF THE ISSUANCE OF A PURCHASE ORDER IN THE AMOUNT OF \$8,000,000.00 TO PACIFIC TANK AND CONSTRUCTION, INC. FOR THE PROJECT

Attachment:

1. Agreement
2. Categorical Exemption

RECOMMENDATION

Staff recommends the City Council move to approve the award of a contract to the lowest responsible bidder, Pacific Tank and Construction, Inc. for the design and replacement of five water reservoirs, replacement of on-site piping at sites 3A, 4B, 5, 6, and 7, and seismic retrofitting of the associated pump stations within the City of Beverly Hills (Project) using "American Steel" in the amount of \$6,923,900.00; approve the plans and specifications for the Project, dated October 2009, which are adopted and approved with respect to design criteria; approve a contingency in the amount of \$1,076,100.00 for change orders approved by the City; and approve the issuance of a purchase order in the amount of \$8,000,000.00.

INTRODUCTION

This report is a request for City Council approval to award a contract to the lowest responsible bidder for the design and replacement of five water reservoirs, replacement of on-site piping at sites 3A, 4B, 5, 6, and 7, and seismic retrofitting of the associated pump stations within the City of Beverly Hills.

The plans and specifications for the Project, dated October 2009, and prepared by MWH America's, Inc. were approved by a duly authorized California Licensed Engineer. Staff finds that the plans and specifications will safely implement the project.

DISCUSSION

Within the City of Beverly Hills potable water distribution system inventory are five flat bottom, ground supported circular steel water reservoir tanks, all located at five separate sites (3A, 4B, 5, 6, and 7) within the City. These tanks were constructed from the mid-fifties to the mid-sixties and do not meet the current American Water Works Association (AWWA) standards for "Welded Steel Tanks for Water Storage."

The existing tanks, which are an integral part of the City's water distribution system, need to be replaced to meet current Department of Public Health (DPH) drinking water standards, seismic design standards, and Cal OSHA safety standards.

On October 23, 2008, the City sent out six invitations for request for proposal (RFP) to provide professional engineering services for the design of the five new water reservoir tanks, on-site piping, and seismic retrofit of the pump stations at sites 3A, 4B, 5, 6, and 7. On November 24, 2008, three responsive proposals were received from MWH Americas, Inc., RBF Consulting, and Webb Associates who were subsequently interviewed by City staff on December 16, 2008.

Staff concurred in their selection of MWH Americas, Inc., and on January 22, 2009, the City Council approved an agreement with MWH, Americas, Inc. in the amount of \$788,600 to design and prepare construction documents for five new water reservoir tanks to replace the existing 45-50 year old five welded steel water reservoir tanks and on-site piping, and seismic retrofit design for the associated five booster pump stations at Sites 3A, 4B, 5, 6, and 7.

On May 28, 2009, a legal notice was posted in two local newspapers, on the City's website and was sent to Bid America, Daily Construction, and McGraw-Hill Construction Dodge requesting pre-qualification statements from steel tank contractors. Four contractors (Paso Robles Tank, Inc., Pacific Hydrotech Corporation, Pacific Tank and Construction, Inc., and Spiess Construction Company, Inc. (SCCI)) submitted their pre-qualification statements, and the submittals were assessed by staff using the Department of Industrial Relations (DIR) scoring system and guidelines. Based on the final pre-qualification package evaluation score and the feedback from the contractors' references, all four contractors were pre-qualified to bid on this project.

On September 15, 2009, City Council authorized staff to proceed with bidding the project using the four pre-qualified bidders and return to the City Council with recommendations for award of contract for the project. In addition, the City Council recommended using "American Steel" for this project.

On October 16, 2009 (upon completion of the design by MWH), final contract documents for the replacement of the five water reservoirs, and on-site piping at sites 3A, 4B, 5, 6, and 7, and seismic retrofitting of the associated pump stations; were sent out to the four prequalified contractors to bid on this project. An alternate bid line item and provisions for the use of steel produced and manufactured in United States were included in the bid documents.

On November 18, 2009, MWH, Americas, Inc. submitted the plans and specifications to California Department of Public Health (CDPH) for their review and approval, and a conditional approval letter was received from CDPH on December 22, 2009.

The replacement work for the steel tanks will be sequential over a 30-month period (not concurrent), with a tentative construction start date of March 15, 2010.

On January 12, 2010, bids were opened. Four bid packages were distributed to four pre-qualified bidders and three bids were received as follows:

Pacific Tank and Construction, Inc.	\$6,873,800.00
Paso Robles Tank, Inc.	\$7,866,883.00
Spieß Construction Company, Inc.	\$8,039,800.00

The above amounts are base bid amounts that were used for comparison and did not include the alternative of using "American Steel". Pacific Tank and Construction, Inc. bid amount using "American Steel" is \$6,923,900.00, which is only \$50,100.00 more than the base bid amount. Therefore, staff recommends using steel produced and manufactured in United States for this project.

The engineering estimate was \$8,044,300.

All references contacted for the apparent low bidder at the pre-qualification phase have been positive and staff recommends that the lowest bid be accepted and awarded. The contacted references are:

- 1) Pechanga Development Corporation
- 2) City of Denuba
- 3) City of Napa

FISCAL IMPACT

The base bid amount is \$6,873,800.00. The alternate total bid amount using steel produced and manufactured in the United States is \$6,923,900.00. A contingency allowance in the amount of \$1,076,100.00 has been included in the total purchase order amount of \$8,000,000.00. Any change orders that require expenditures from this allowance shall be made only upon written request in accordance with the City Ordinance No. 06-O-2504 regarding change orders.

Funds for this project is provided as follows:

DEPT	FUND	PROJECT NUMBER	SUB-PROJECT NUMBER	FUNDING SOURCE	AMOUNT
35	80	0796	35-80-0796-85040	Water Enterprise Fund	\$8,000,000.00



Scott Miller
Finance Approval



David Gustavson
Approved By

AGREEMENT

THIS AGREEMENT, made and entered into this **2nd** day of **February, 2010**, by and between the CITY OF BEVERLY HILLS, a municipal corporation, hereinafter referred to as "City", and

Pacific Tank and Construction, Inc.
32236 Paseo Adelanto, Suite A
San Juan Capistrano, CA 92675

hereinafter referred to as "Contractor";

WITNESSETH

In this consideration of their covenants the parties hereto agree as follows:

1. Contractor shall furnish all labor, materials and equipment necessary to perform the following work in the City of Beverly Hills, California, strictly in accordance with the Notice to Bidders, Proposal form, Plans and Specifications for such improvement, Standard Contractual Requirements and inclusive of Addenda, each of which documents are made a part of this Contract as though fully set forth herein:

DESIGN AND REPLACEMENT OF FIVE WATER RESERVOIRS, REPLACEMENT OF ON-SITE PIPING AT SITES 3A, 4B, 5, 6, AND 7, AND SEISMIC RETROFITTING OF THE ASSOCIATED FIVE PUMP STATIONS

2. In consideration of such work City agrees to pay Contractor and Contractor agrees to accept the sum of **Six Million, Nine Hundred Twenty-three Thousand, and Nine Hundred (\$6,923,900.00)** in the manner provided in subject Plans and Specifications and subject to adjustment provided therein.

3. Concurrently with the execution of this Contract, Contractor shall file with the City the bonds and certificates of insurance specified in said Standard Contractual Requirements.

4. This Contract shall not be assigned without the written permission of the City Council.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above written.

ATTEST:

CITY OF BEVERLY HILLS,
A municipal corporation

BYRON POPE, City Clerk

NANCY KRASNE, Mayor

APPROVED AS TO CONTENT:

CONTRACTOR: Pacific Tank and Construction, Inc.

JEFF KOLIN, City Manager

KARL KIRKMAN, Risk Manager

DAVID D. GUSTAVSON, Director
Of Public Works & Transportation

APPROVED AS TO FORM:

FUNDS AVAILABLE:

LAURENCE WIENER, City Attorney

SCOTT MILLER, Director of Administrative Services/Chief
Financial Officer



CITY OF BEVERLY HILLS
 COMMUNITY DEVELOPMENT DEPARTMENT- PLANNING DIVISION
 455 North Rexford Drive
 Beverly Hills, CA 90210-4817
 (310) 285-1123
 FAX: (310) 858-5966

BeverlyHills.org

Categorical Exemption

Name of Project Five-Reservoir Replacement Project

Location Various locations in Trousdale and Hillside Areas

Project Description Replacement of five aging steel water reservoir tanks with new ones, together with seismic retrofit of five associated booster pumps to meeting contemporary structural standards.

Applicant's Name City of Beverly Hills Phone 310.285.1000

Applicant's Address 455 N. Rexford Drive

City Beverly Hills, California Zip 90210

If different, provide:

Agent's Name Dept. of Public Works & Transportation Phone 310.285.2467

Agent's Address 345 Foothill Road

City Beverly Hills, California Zip 90210

The undersigned, having received this project for processing, has reviewed it for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills and no further environmental assessment is necessary.

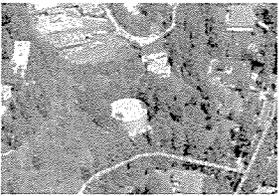
Applicable Exemption Class 2

Comments Replacement of existing facilities with new structures of substantially the same purpose and capacity on the same sites.

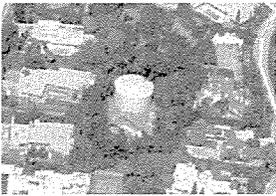
Reviewed by  Date November 19, 2009

Reservoir Replacement Project SUMMARY

Proposed Replacements						
Reservoir	Capacity		Diameter		Height	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
3A	1 MG	0.81 MG	80'	66'	30'	38'
5	1 MG	1 MG	75'	79'	32'	34'
6	1 MG	1 MG	75'	79'	32'	34'
4B	1 MG	1 MG or 1.14 MG	75'	75'	32'	37'
7	1.2 MG	1.5 MG	82'	86'	34'	40'



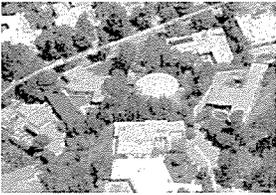
3A



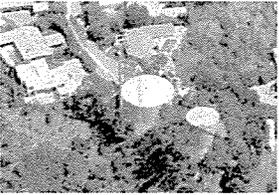
4B



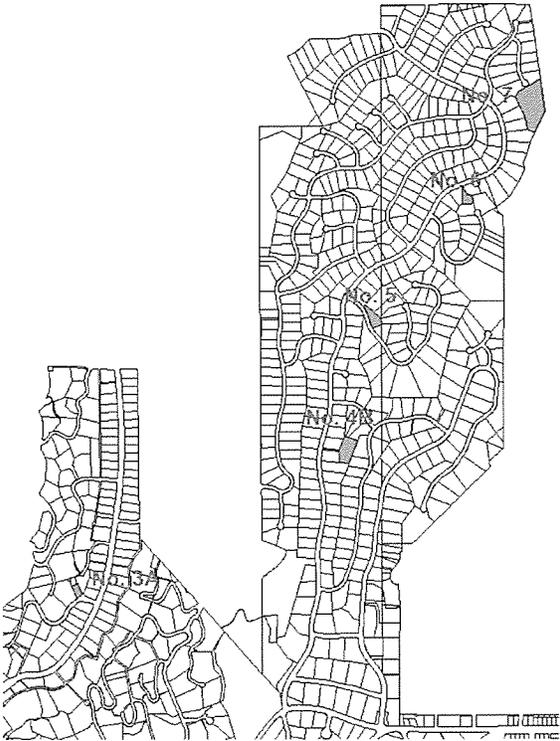
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Five Reservoir Replacement Project Construction Management Plan

INTRODUCTION

The purpose of this Construction Management Plan is to present the issues and considerations, which need to be addressed to insure that the construction activities minimally impact the City and the public of Beverly Hills. This Plan will provide for a program to address specific logistical issues, to minimize traffic and congestion, as well as scheduled dates related to the various phases of construction activities and other City sensitive issues.

PROJECT DESCRIPTION

The construction of five (5) welded-steel water tanks that range in size from 0.81 MG to 1.50 MG and on-site piping to replace the existing five welded steel water tanks at Sites 3A, 4B, 5, 6, and 7, and provide a seismic retrofit for the associated five (5) booster pump stations. The replacement work for the steel tanks will be sequential over a 30-month period (not concurrent), and the existing water facilities onsite and adjacent to the work sites must be maintained in service without pre-planned disruption.

GENERAL MEASURES

Schedule of Construction

Replacement of the five reservoirs is anticipated to proceed generally in accordance with the following schedule. The actual schedule may vary and it is Contractor's responsibility to schedule the work to be complete within the Contract Times.

Reservoir	Start	End
Reservoir 6:	01/10	07/10
Reservoir 5:	07/10	01/11
Reservoir 7:	01/11	07/11
Reservoir 4B:	07/11	01/12
Reservoir 3A:	01/12	07/12

Construction of each reservoir will involve two phases: 1) demolition of the existing reservoir, and 2) erection of the new reservoir.

Contractor's Superintendent

Contractor shall designate a single individual on staff to serve as Superintendent for Contractor's construction activities.

Noise

A 24-hour telephone "hotline" to Contractor's Superintendent shall be established. The Superintendent shall be responsible for keeping a log and responding to complaints about construction noise. The Superintendent shall determine the cause of the noise complaint (e.g., starting too early, loud muffler, etc.) and will be required to implement reasonable measures such that the complaint is resolved. All notices that are sent to residential units and all signs posted at the construction site shall list the "hotline" telephone number for the Superintendent.

A Construction Management Program shall be prepared by Contractor and submitted to Owner for review and acceptance prior to mobilization to the Work Site. It shall include a comprehensive description of Contractor's methods and procedures to minimize and reduce project noise impacts. After the Construction Management Program is accepted and approved by Owner, Contractor shall distribute notice of the program's availability to all property owners within 500 feet of a construction site at least two weeks prior to the start of construction. All residents and property owners in the vicinity of the reservoir construction sites will

have the opportunity to respond to this Construction Management Program prior to the start of construction. This program will be prepared to include, but not be limited to, the following requirements:

1. Construction activities, including site entry and exit by construction personnel, shall not occur outside the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday. The number of hours for the use of impulsive devices, such as jackhammers, will be restricted between 9:00 a.m. and 4:00 pm., Monday through Friday. However, it should be noted that limiting the number of hours per day also increases the total number of days needed for devices. The Superintendent will balance the use of these devices on a daily basis as well as their overall number of days used.
2. Construction contracts shall specify that all construction equipment shall be equipped with mufflers and other California State-required noise attenuation devices. All combustion equipment without its own means of propulsion intended for operation at one fixed location for four hours or more shall be surrounded by a temporary barrier of plywood and insulation, a fabric "noise blanket", or some similar barrier to achieve a reduction in noise emissions, and ensure sound levels outside the construction site comply with applicable noise codes and standards of the County of Los Angeles.

3. Large vehicle or truck trips on Loma Vista Drive and Coldwater Canyon Drive will be limited to a maximum of 12 trips per hour, with an average of no more than 10 trips per hour during any two adjacent one-hour periods per day. For example, if 12 trips were made from 9:00 a.m. to 10:00 a.m., then only eight trips could be made from 10:00 a.m. to 11:00 a.m.
4. A temporary eight-foot high acoustic barrier shall be erected along the site boundary at all sites to provide shielding to adjacent residences as much as possible. The design of the barrier is the Contractor's responsibility. The design shall be submitted to Department of Building and Safety for approval and permit issuance.
5. Portable toilet facilities will be located as far away from residences as practicable, given work area limitations and worker needs.
6. Catering trucks providing service to the construction workers will be required to park within or adjacent to the site without blocking neighbors' driveways or impacting the neighborhood. They will not be allowed to sound their arrival in any manner. No radios or truck alarms, with the exception of OSHA-mandated equipment, will be permitted on site. All deliveries of materials and equipment will occur onsite, within the construction barricades to the degree practicable.

Air Quality Measures

An eight-foot-high barrier will be erected around the construction periphery of each reservoir site. In addition to noise reduction, it will promote re-deposition of dust within the construction site rather than being carried to adjoining properties.

The construction area and vicinity shall be swept and watered at least twice daily. Site-wetting shall occur enough to maintain a 10 percent surface soil moisture content throughout all earth moving activities. At least 80 percent of all inactive disturbed surface areas shall be watered on a daily basis when there is evidence of wind-driven fugitive dust. On-site stockpiles of debris, dirt or rusty materials shall be covered or watered at least twice daily. The site will also be watered on weekends and holidays if necessary, although it will require one or more personnel to be present onsite during this time.

All trucks hauling soil, sand, and other loose materials shall either be covered or maintain two feet of freeboard. Operations on any unpaved surfaces shall be suspended when winds exceed 25 miles per hour. On-site traffic speeds on unpaved areas shall be limited to 15 miles per hour. Operations on any unpaved surfaces shall be suspended during first and second stage smog alerts.

During periods with sustained winds above 25 miles per hour, areas with disturbed soil will be watered hourly, or activities on unpaved surfaces will be termi-

nated until wind speeds no longer exceed 25 mph.

The Superintendent shall maintain records indicating that construction vehicles and equipment are well maintained and in good operating condition. Tune ups or other maintenance to assure low NO_x emissions will be conducted prior to the commencement of any work by any equipment anticipated to be used for more than 30 days.

Although Stage 2 Smog Alerts occur very infrequently, the general contractor shall abide with all the rules of the South Coast Air Quality Management District, particularly with Rule 710 which covers Stage 2 episodes.

During the removal of debris resulting from demolition, Contractor shall ensure that measures are in place to maintain City streets in clean condition, via gravel haul roads inside the site and rumble plates inside the project access gates to remove soil from vehicle treads, and, as necessary, to hose down muddy wheels and undercarriages of all vehicles hauling materials from the site. Water used for such washing shall be contained on-site in a manner to be determined via approved Storm Water Pollution Prevention Program measures. Contractor shall monitor hauling trucks and shall reject any vehicles that leak soil from their dump gates.

Street Circulation and Parking Measures

Parking prohibitions shall be instituted at various spots along Loma Linda Drive to allow cars or trucks to pass one another. A minimum of two "maneuvering zone" will be provided on Loma Linda Drive between Coldwater Canyon and the cul-de-sac, where parking is prohibited on both sides of the street for approximately 100 feet. This will provide at least two locations where cars/trucks could pull over for another vehicle, including an emergency vehicle, to pass.

Off-site parking for Contractor's employees shall be provided by Contractor away from residential areas, if it cannot be accommodated within the construction sites. Construction contracts shall include clauses prohibiting employees, subcontractors, or suppliers employees from parking on street. A shuttle service shall be provided by Contractor to/from the off-site parking. This measure will help to alleviate the commute trips and the parking impact generated by the construction workers. Off-site parking will also help to avoid the situation where employee parking may contribute to passing emergency access impacts.

Construction traffic needing access to Loma Linda Drive will be controlled by flagmen with radios to effectively coordinate truck travel and resident access. Trucks shall not be allowed to park or idle along Loma Linda Drive. A temporary parking pass system shall be implemented to allow residents unrestricted access and parking

along Loma Linda. Residents will also be able to review the complete parking and traffic management programs prior to the start of construction.

Haul Truck Route and Queue Areas

Hauling activities shall be restricted between 9:00 a.m. and 4:00 p.m., Monday through Friday, to eliminate the peak hour impacts of the trucks. If large vehicles, such as concrete mixers, must operate after 4:00 p.m., they shall be parked at appropriate locations (on-site, off-street) until after 6:00 p.m. to avoid the heaviest congestion period. In no case will vehicles larger than $\frac{3}{4}$ ton pickup trucks be brought back into residential streets after 6:00 p.m. Residents and other local neighbors will be given a 24-hour hotline number to report vehicles or other activities that occur in violation of restrictions in the parking and traffic control measures.

Management of the truck activity shall include, but not be limited to, construction material/equipment staging plans. All staging activity shall be limited to nonresidential streets and the confines of the construction sites. Staging on residential streets will be prohibited. This will ensure that there is a smooth progression of truck traffic through the neighborhood and that on street staging will not occur on local residential streets.

Truck haul routes shall be specified to all contractors prior to the start of work. Truck traffic should be limited to higher

order roadways wherever possible. Where use of a minor residential street is unavoidable, an effort shall be taken to use the shortest route from the residential area to a major arterial.

Public Facility & Asset Maintenance

Street sweeping shall be conducted, along site access or other roadways to immediately remove dirt dropped by construction vehicles or dried mud carried off by trucks moving dirt or bringing construction materials. Other areas will be washed as needed if there are visible signs of any dirt track out at the conclusion of any work day.

Loma Linda Drive, Trousdale Place, Loma Vista Drive, Coldwater Canyon Drive and Walker Drive will be restored to their present conditions or better after construction is complete.

The City and/or its Contractor shall assure during construction that streets adjacent the project sites, and the construction worker remote parking site(s), are maintained in a clean condition. This includes daily trash removal and maintaining vehicles to minimize soiling of the roadways.

The City and/or its Contractor shall monitor roadways and public rights-of-way adjacent to the project sites for possible damage from construction vehicles. Any damage to the public right-of-way that results from the project will be repaired at the completion of construction, or as

needed to maintain roadway safety, at the discretion of the Public Works Director.

Public Notification Measures

All residential units located within 500 feet of the construction site shall be sent a notice regarding the construction schedule of the proposed project at least two weeks ahead of the commencement of construction. A sign shall also be posted at the construction site (See Specification Section

015813). All notices and the signs shall indicate the dates and duration of construction activities, as well as provide the "hotline" telephone number where residents can inquire about the construction process and register complaints.