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**Title:** CONSIDER AWARDING A CONSTRUCTION CONTRACT TO OHL USA, INC. FOR PROJECT NO. 1515: CARSON STORMWATER CAPTURE FACILITY AT CARRIAGE CREST PARK (CITY COUNCIL)

**Sponsors:**

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**Attachments:** 1. Exhibit No. 1 Location Map, 2. Exhibit No. 2 -Bid Register Project 1515, 3. File Summary

Date	Ver.	Action By	Action	Result
4/17/2018	1	City Council		

**Report to Mayor and City Council**

Monday, April 17, 2017

Discussion

**SUBJECT:**

**CONSIDER AWARDING A CONSTRUCTION CONTRACT TO OHL USA, INC. FOR PROJECT NO. 1515: CARSON STORMWATER CAPTURE FACILITY AT CARRIAGE CREST PARK (CITY COUNCIL)**

**I. SUMMARY**

Project No. 1515: Carson Stormwater Capture Facility at Carriage Crest Park (Project No. 1515) is one of the projects in the Capital Improvement Program (CIP). (Exhibit No. 1), and will assist the City of Carson (City) in complying with its stormwater permit requirements. This project is funded by Caltrans in the amount of \$13,000,000.00, and by the County of Los Angeles in the amount of \$5,720,000.00 (which includes a 10% contingency). In the future, the City and the Los Angeles County Sanitation Districts will enter into a separate long-term agreement for the use and maintenance of the facility.

On February 15, 2018, staff completed an Invitation for Bids (IFB) seeking experienced and qualified contractors to construct, and install precast concrete modular units in accordance with the plans and specifications prepared for Project No. 1515.

The IFB was advertised through PlanetBids and the Daily Journal, from February 15, 2018 to March 27, 2018. Three bids were received and opened by the City Clerk on March 27, 2018. Staff determined OHL USA, Inc. to be the lowest, responsive and responsible

bidder, with a bid amount not-to-exceed \$11,198,500.00. Staff is requesting that the City Council award a construction contract to OHL USA, Inc. (Exhibit No. 2).

## **II. RECOMMENDATION**

TAKE the following actions:

1. AWARD a construction contract to OHL USA, Inc., the lowest, responsive and responsible bidder for Project No. 1515: Carson Stormwater Capture Facility at Carriage Crest Park, in an amount not-to-exceed \$11,198,500.00.
2. AUTHORIZE the expenditure of a construction contingency, if necessary, in the amount of \$1,679,775.00 (15%) for any change orders and unforeseen construction work such as removal and remediation of contaminated soil, substructure conflicts, and materials testing that may be required to complete the project.
3. DIRECT the City Attorney to negotiate a construction contract with OHL USA, Inc. for Project 1515, with that contract to be considered for approval by the City Council at a subsequent meeting.

## **III. ALTERNATIVES**

1. REJECT the bid.
2. Take another action the City Council deems appropriate, consistent with the requirements of the law.

## **IV. BACKGROUND**

The City of Carson is subject to extensive requirements to improve stormwater quality through its Municipal Separate Storm Sewer System (MS4) Permit, and the Carson Stormwater Capture Facility at Carriage Crest Park (Park) will greatly advance the City's compliance efforts. The City has developed an Enhanced Watershed Management Program (EWMP) to address the associated permit requirements, and Project 1515 was identified in the EWMP for the Dominguez Channel Watershed Management Area Group as a high priority for improving the water quality that drains to the Dominguez Channel, Machado Lake and the Los Angeles River.

The project will involve the pretreatment of stormwater from an existing storm drain system, the diversion of the stormwater to a subsurface storage reservoir, and ultimately discharge to the sanitary sewer for treatment at the County Sanitation District's Joint Water Pollution Control Plant (JWPCP) for reclamation. This project will address and/or prevent surface water quality issues, provide reclaimed water for irrigation, and enhance ground water supplies.

The City was able to secure \$13,000,000.00 from Caltrans to fund the project. On June 8, 2016, the City Council approved a Cooperative Implementation Agreement with Caltrans, for Project No. 1515.

The City retained the professional services of County Sanitation District No. 2 of Los Angeles County (County Sanitation) to prepare the plans and specifications, and manage the project construction. On July 19, 2016, the City Council approved a Stormwater Project Services Agreement with County Sanitation District No. 2 of Los Angeles County, for the design and construction of Project No. 1515.

The project had the potential to be expanded to provide a greater benefit and help other jurisdictions upstream of Carson meet their compliance requirements if they were willing to provide additional funding. The City offered the County of Los Angeles an opportunity to collaborate on the development of Carson’s stormwater runoff capture project, and on January 9, 2018, City Council approved a Memorandum of Understanding between the County of Los Angeles and the City of Carson for the design and construction of Project 1515. The County of Los Angeles has committed to contribute up to \$5,720,000.00 towards capital costs in FY 2018-19 and 2019-20. Additionally, City of Carson and Los Angeles County Flood Control District have negotiated a Use and Maintenance Agreement because the project diverts dry weather and stormwater flows from a storm drain into nearby Los Angeles County Sanitation Districts’ treatment plant.

On January 23, 2018, the City Council approved the plans and specifications, and authorizing staff to advertise for construction bids. Staff, in collaboration with County Sanitation, completed the Invitation for Bids (IFB). The IFB was advertised in the Daily Journal and on PlanetBids from February 15, 2018 to March 27, 2018. A mandatory pre-bid meeting was held at Carriage Crest Park on February 22, 2018, and fourteen contractors participated. Sealed proposals were due at 11:00 a.m. on March 27, 2018.

Three bids were received by the due date and opened by the City Clerk and Purchasing.

<b>BIDS</b>	
<b>Contractor</b>	<b>Bid Amount</b>
OHL USA, Inc	\$11,198,500.00
Reyes Construction	\$12,155,000.00
SUKUT Construction, LLC.	\$17,573,500.00

Based on the bids received, OHL USA, Inc. was determined to be the lowest, responsive and responsible bidder. The contractor’s references have been checked, and it has been verified that the contractor has previously completed similar projects in an acceptable manner. Based on the above information, staff is requesting that the City Council award a construction contract to OHL USA, Inc. for the construction and installation of the precast concrete modular units with up to 16.65 acre feet of storage for Project No. 1515: Carson Stormwater Capture Facility at Carriage Crest Park, in an amount not-to-exceed \$11,198,500.00.

The City will apply for and obtain a permit from the Los Angeles County Flood Control District.

**California Environmental Quality Act:** In 2017, City of Carson conducted an Initial Study for Project 1515, an environmental assessment, and adopted a Negative Declaration in compliance with CEQA. The selection of a bidder does not alter the project; nor does it

constitute new information or constitute changed circumstances under CEQA.

## V. FISCAL IMPACT

The total construction bid amount for this improvement project is \$11,198,500.00. A construction contingency of \$1,679,775.00, representing 15% of the total construction bid, is requested for change orders and other unforeseen construction work such as removal and remediation of contaminated soil, substructure conflicts, materials testing, and other additional work that may be required to complete this project. The cost of the design and construction management services provided by County Sanitation is \$2,851,000.00. Therefore, the overall total construction cost and the professional services cost necessary to complete the project are as follows:

Construction Cost	\$11,198,500.00
Construction Contingency (15%)	\$1,679,775.00
Professional Services Cost: Design, Construction Mgt.	\$2,851,000.00
<b>TOTAL COST TO COMPLETE THE PROJECT</b>	<b>\$15,729,275.00</b>
<b>LESS: Professional Design Expenditures Paid to Date</b>	<b>\$1,336,304.60</b>
<b>REMAINING COST TO COMPLETE THE PROJECT</b>	<b>\$14,392,970.40</b>

The above table demonstrates that out of the \$15,729,275.00 estimated total cost to complete the project, \$1,336,304.60 has already been paid to County Sanitation for the professional design services associated with completing the plans and specifications, and providing support during the bid process. The total funding still required to complete the project is \$14,392,970.40.

Carson received \$13,000,000.00 in funding from Caltrans in June 2016 for design and construction of the Carriage Crest stormwater capture project. On January 9, 2018, City Council approved a Memorandum of Understanding between the County of Los Angeles and the City of Carson for the planning, engineering design, and construction of Project 1515 in the not-to-exceed amount of \$5,720,000.00. The total funds available for this project will be \$18,720,000.00, therefore, no additional funding is necessary.

## VI. EXHIBITS

1. Location Map. (pg. 5)
2. Bid Register. (pg. 6)

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