



March 3, 2023

**TO:** LOCSB Board of Directors

**FROM:** Ron Munds, General Manager

**SUBJECT: Agenda Item 10F – 3/2/2023 Board Meeting**

Authorize a Formal Bid Process and Executing a Related Contract for the Program C Water Transmission Main Project

**DESCRIPTION**

**President**

Charles L. Cesena

**Vice President**

Marshall E. Ochylski

**Directors**

Matthew Fourcroy

Troy C. Gatchell

Christine M. Womack

**General Manager**

Ron Munds

**District Accountant**

Robert Stilts, CPA

**Unit Chief**

John Owens

**Battalion Chief**

Paul Provence

The District has been pursuing the construction of a new municipal well, referred to as a Los Osos Basin Plan Program C well, for the past five years. The current project, both well and pipeline, has been through environmental review, the County's Minor Use Permit process and is now ready to proceed with the water transmission main phase of the work. The project was identified and approved in the 2022-23 Capital Project budget with an estimated project cost of \$2.6 million. This report summarizes the actions needed to move the water transmission main phase of the project forward.

**STAFF RECOMMENDATION**

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

***Motion: I move that the Board:***

- 1. Authorize a formal bid process for the water transmission phase of the Program C Well Project pending approval of the Encroachment Permit by the County; and***
- 2. Set the date for receipt of Construction Bids as March 30, 2023; and***
- 3. Authorize the General Manager to execute the related contract if the lowest responsive bid is deemed a reasonable bid, which is within 20% of the Engineer's Estimate of \$1,060,400.***

**DISCUSSION**

The District has been pursuing the construction of a new municipal well, referred to as a Los Osos Basin Plan Program C well, for the past five years. The current project, both well and pipeline, has been through environmental review, the County's Minor Use Permit process and is now ready to proceed with the water transmission phase of the work.

The scope of work for the water transmission phase of the project consists of providing all necessary labor, materials, accessories, equipment, and supervision to install an approximate 3,200 feet of 8-inch pipeline from the Bay Oaks well site to Nipomo Avenue.

Wallace Group has prepared the Invitation to Bid documents which staff is requesting the approval of by the Board. The plans and specifications (design documents) were prepared by Water Systems Consulting (WSC). Because of the size of the documents, attached to this report is the Invitation to Bid section (Attachment 1). The entire project manual is available to the public upon request and on the District's website at [www.losososcsd.org](http://www.losososcsd.org). WSC has prepared the

**Mailing Address:**

P.O. Box 6064

Los Osos, CA 93412

**Offices:**

2122 9<sup>th</sup> Street, Suite 110

Los Osos, CA 93402

**Phone:** 805/528-9370

**FAX:** 805/528-9377

[www.losososcsd.org](http://www.losososcsd.org)

Engineer's Estimate of Probable Construction Cost, at an estimated range of \$915,800 to \$1,060,400 (Attachment 2).

Staff is requesting the approval for the General Manager to execute the agreement with the lowest responsive bidder if the bid is reasonable, and proximate to the estimated project identified above. The bids will be reviewed by a team consisting of the General Manager, WSC staff and engineers from Wallace Group.

### **FINANCIAL IMPACT**

The water transmission phase of the project cost includes contracted professional services. As mentioned, this project was identified in the 2022-2023 budget and Capital Improvement Project Plan and continues until complete.

The estimated total cost of the project is \$2.6 million and is being supported by \$1.5 million grant from the state.

If the lowest responsive bid for this phase is over the estimated project cost, or not deemed a reasonable bid, staff will return to the Board with the results and an alternative recommended action to move the project forward. Phase 1 of the project costs are summarized as follows:

#### **Attachment:**

1. Invitation to Bid
2. Engineering Estimate

PROJECT MANUAL

FOR THE

**LOS OSOS COMMUNITY SERVICES DISTRICT  
2122 9TH STREET, SUITE 110  
LOS OSOS, CA 93402  
(805) 528-9370**

## **PROGRAM C WELL WATER TRANSMISSION MAIN**

Prepared by:


**WALLACE GROUP  
612 Clarion Court  
San Luis Obispo, CA 93401  
805 544-4011**

**FEBRUARY 2023  
0384-0011-00-0500**

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## CERTIFICATION

In accordance with the provisions of Section 6735 of the Business and Professions Code of the State of California, these specifications have been prepared by or under the direction of the following Professional Engineers licensed in the State of California:

  
\_\_\_\_\_  
Steven G. Tanaka, PE #49779 Exp. 9/30/2024

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## **PART I**

### **NOTICE, PROPOSAL AND AGREEMENT FORMS**

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# **NOTICE INVITING BIDS**

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**LOS OSOS COMMUNITY SERVICES DISTRICT**  
**PROGRAM C WELL WATER TRANSMISSION MAIN**

**NOTICE INVITING BIDS**

NOTICE IS HEREBY GIVEN that the LOS OSOS COMMUNITY SERVICES DISTRICT (Owner) hereby invites sealed bids which will be received at:

LOS OSOS COMMUNITY SERVICES DISTRICT  
2122 9TH STREET, SUITE 110  
LOS OSOS, CA 93402

until **Thursday, March 30, 2023, 3:00 pm PST** (local time) or such later date as may be set by Addendum, at which time and at the above address, they will be publicly opened and read aloud for performing the following work:

DESCRIPTION OF WORK: The work is comprised of providing an 8" PVC water transmission main, approximately 3,270 feet in length, to convey potable water from the recently installed Program C Well (located at Bay Oaks Drive and South Bay Boulevard), to the District's main zone water system tie-in located at the intersection of Nipomo Avenue and Mountain View Drive, Los Osos, CA, as specified herein and as shown on the Contract Documents.

LOCATION OF THE WORK - The work is located in Los Osos, San Luis Obispo County, California and more specifically at the locations described in the above Description of Work.

BID OPENING - Telephones will not be available to bidders for the preparation of the bids or for calling in bid results. Bid forms received after the designated time will not be accepted. Bidders, their authorized agents and other interested parties, are invited to attend the bid opening.

AWARD OF CONTRACT- The OWNER intends to award a contract **to the lowest, responsive, and responsible bidder to the bid schedule delineated in these contract documents**. All bids submitted shall be in accordance with the provisions of the Contract Documents and the OWNER may waive any minor irregularities or reject any and all bids. Any bid may be withdrawn prior to bid opening but not afterward.

FORM OF THE BID - Bidders must submit proposals on the proposal bid form provided. Proposals will not be considered unless submitted on proposal forms included in the Contract Documents obtained from the OWNER. It is **not mandatory**, but highly recommended, that the bidder attend the pre-bid job conference scheduled for Tuesday, March 14, 2023, at 10 am, at the District's office at 2122 9<sup>th</sup> Street, Los Osos, CA 93402. The bidder may contact Steve Tanaka at 805-441-2293 for additional information.

BID SECURITY - Each proposal must be accompanied by cash, a certified or cashier's check, or bidder's bond on the prescribed form and made payable to the OWNER for an amount equal to at least 10 percent of the amount of the Bid, such guaranty to be forfeited should the apparent successful bidder to whom the contract is awarded fail to furnish the required bonds

and insurance certificates, and enter into contract with the OWNER within the time stated in the Proposal requirements. Proposals cannot be withdrawn for the period of time specified in Article 10 of the Instructions to Bidders.

**PERFORMANCE SECURITIES** – The successful bidder will be required to furnish a payment bond and faithful performance bond in the full amount of the Contract price, and insurance with certificates and endorsements of insurance, as provided in the Contract Documents. The required bonds must be provided only by a surety insurer who is in good standing with the State of California Department of Insurance.

**CONTRACTOR LICENSING** - In accordance with the provisions of California Public Contract Code Section 3300, the OWNER has determined that the contractor shall possess a valid Class “A” General Engineering Contractor license at the time of bid issuance. Failure to possess the specified license shall render the Bid as non-responsive and shall act as a bar to award of the Contract to any bidder not possessing said license at the time of award. In the event of dispute over classification of the license required, the opinion of the contractor’s State License Board shall prevail.

**WAGE RATE REQUIREMENTS** - In accordance with the provisions of California Labor Code Sections 1770,1773, 1773.1, 1773.6 and 1773.7 as amended, the Director of the Department of Industrial Relations has determined the general prevailing rate of per diem wages in accordance with the standards set forth in Section 1773 for the locality in which the work is to be performed. A copy of said wage rates is on file at the office of the OWNER. It shall be mandatory upon the contractor to whom the work is awarded and upon any subcontractor under the contractor to pay not less than said specified rates to all workmen employed by them in the execution of the work.

**CONTRACTOR REGISTRATION WITH DEPARTMENT OF INDUSTRIAL RELATIONS** – In accordance with California Labor Code Section 1725.5, Contractors and Subcontractors (as defined by California Labor Code Section 1722.1) bidding on Public Works contracts in California shall be registered with the Department of Industrial Relations **prior to bidding**. Contractor shall verify that this requirement has been met, prior to award of Contract.

**AGREEMENT TO ASSIGN** - In accordance with Section 4552 of the California Government Code, the bidder shall conform to the following requirements: In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act 15 U.S.C. 15, or under the Cartwright Act, Chapter 2.

**DEPOSIT OF SECURITIES IN LIEU OF RETAINAGE** - The Contractor may elect to receive 100 percent of payment due under the Contract Documents from time to time, without retention of any portion of the payment by the OWNER, by depositing securities of equivalent value with the OWNER in accordance with the provisions of Section 20300 of the California Public Contract Code. Such securities, if deposited by the Contractor, shall be valued by the OWNER, whose decision on valuation of the securities shall be final. Securities eligible for investment under this provision shall be limited to those listed in Section 16430 of the California Government Code or bank or savings and loan certificates of deposit.

**CONTRACT DOCUMENTS** - Contract Documents, including Instructions to Bidders, the Contract Specifications and Drawings may be viewed and obtained at the office of the Owner, 2122 9<sup>th</sup> Avenue, Suite 110, Los Osos, CA 93402.

Only PDF electronic copies of the bid documents will be made available to bidders, at no charge to bidders. The special attention of prospective bidders is called to the Instructions to Bidders portion of the Contract Documents for full directions for bidding the Work.

The successful bidder must insure that employees and applicants for employment are not discriminated against on the basis of age, color, race, national origin, ancestry, religion, sex, sexual preference, marital status, and shall comply with the Americans with Disabilities Act.

Date: March 2, 2023

OWNER:   
RON MUNDS, GENERAL MANAGER

**END OF NOTICE INVITING BIDS**

**Date:** 2/22/2023

**To:** Ron Munds **Phone:** (805) 528-9379  
Los Osos Community Services District

**CC:** Steven Tanaka, PE

**Prepared by:** Michael Goymerac, PE; Heather Freed, PE

**Project:** Program C Well Water Transmission Main Project

**SUBJECT: ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COST – FINAL BID**

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The 100% Design (i.e., Bid) Opinion of Probable Construction Cost (OPCC) for the Program C Well Water Transmission Main Project (Project) was performed for estimation purposes based on an AACE International Class 1 cost estimate with an accuracy range of -5% to +10%. Costs and assumptions used are based on quotes, recent bid estimates and industry cost data. This OPCC is limited to the conditions existing at issuance and is not a guaranty of actual price or cost for the Project. Uncertain market conditions such as, but not limited to labor availability, availability of qualified contractors, wages, other work, market changes for materials and equipment, price escalations, force majeure events and developing bidding conditions, etc. may affect the accuracy of this estimate.

The OPCC includes construction and contractor overhead, contingency for unknown conditions, and an escalation to the mid-point of construction. Quantities were estimated by performing unit take-offs based on the 100% design drawings. WSC typically escalates the OPCC to mid-point of construction by averaging the last 10 years of ENR's Construction Cost Index (CCI) and applying that annual inflation rate to the OPCC. Given the current inflationary impacts to the economy and the water and wastewater industry, only the last year of ENR CCI values were used (2021 to 2022) to reflect more conservative (i.e., higher cost) price increases. This OPCC does not include any of the District's administrative costs, engineering costs, or construction management costs. A summary of construction, soft cost and escalation assumptions is provided in the table below.

DESCRIPTION	VALUE	UNITS	APPLIED TO
Contingency	10	%	Sum of Contractor Overhead and Construction Costs
Escalation to Mid-Point of Construction (July 2023)	4.0	%	Sum of Contractor Overhead and Construction Costs

The OPCC for the Project is \$964,000 (reference attached OPCC).



**Engineer's Opinion of Probable Construction Cost - Final**



**Project:** Program C Well Water Transmission Main  
**Client:** Los Osos Community Services District  
**Date:** 2/22/2023  
**Estimate:** AACE Class 1 Estimate (-5% to +10%)

Program C Well Water Transmission Main					
Estimate Item	Description	Quantity	Unit	Unit Price	Cost Opinion
<b>MOBILIZATION AND GENERAL CONDITIONS</b>					
1.1	Mobilization (5%)	1	LS	\$ 39,000	\$ 39,000
1.2	Bonds, permitting, insurance (2%)	1	LS	\$ 16,000	\$ 16,000
1.3	General Conditions (2%)	1	LS	\$ 16,000	\$ 16,000
1.4	Environmental compliance	1	LS	\$ 3,000	\$ 3,000
1.5	Construction survey & staking	1	LS	\$ 8,000	\$ 8,000
<b>Subtotal - Mobilization and General Conditions</b>					<b>\$ 82,000</b>
<b>SITE PREPARATION</b>					
2	Sheeting, shoring, and bracing	1	LS	\$ 8,000	\$ 8,000
3	Traffic control	17	DAY	\$ 2,200	\$ 37,400
4	Utility protection	2	DAY	\$ 6,000	\$ 12,000
<b>Subtotal - Site Preparation</b>					<b>\$ 57,400</b>
<b>LINEAR PIPELINE INSTALLATION AND APPURTENANCES</b>					
5	8 inch C900 PVC trench, install, and backfill	3269	LF	\$ 92	\$ 299,400
6	8 inch gate valves	9	EA	\$ 4,844	\$ 43,600
7	2 inch combination air-vac	1	EA	\$ 1,400	\$ 1,400
8	2 inch blow off	3	EA	\$ 3,500	\$ 10,500
9	Tie-in Location (trench, install, and backfill)	1	LS	\$ 8,300	\$ 8,300
10	Testing and Disinfection	1	LS	\$ 9,000	\$ 9,000
<b>Subtotal - Linear Pipeline Installation and Appurtenances</b>					<b>\$ 372,200</b>
<b>EXTERIOR IMPROVEMENTS</b>					
11	Pavement Repair - HMA	994	TONS	\$ 292	\$ 290,500
12	Pavement Repair - Class 2 AB	225	CY	\$ 190	\$ 42,800
<b>Subtotal - Exterior Improvements</b>					<b>\$ 333,300</b>
<b>PROJECT SUBTOTAL, ESCALATION, AND CONTINGENCY</b>					
Construction (Bid) Estimate Subtotal					\$ 844,900
Construction Phase Contingency		10%	percent	\$ 84,490.00	\$ 929,390
Escalate to Midpoint of Construction (July 2023)		4.0%	percent	\$ 33,796.00	\$ 963,186
<b>TOTAL ESTIMATE OF CONSTRUCTION</b>					<b>\$ 964,000</b>
AACE Estimate Accuracy Range (-/+ %):		-5%	to	10%	
Estimate Range:		\$ 915,800		\$ 1,060,400	