2015 CCTV INSPECTION AND CLEANING SERVICES FOR LARGE SANITARY PIPELINES PROJECT

RECOMMENDATION

It is recommended that the City Council approve a resolution:

1. Authorizing the City Manager to execute a service contract with Pipe and Plant Solutions Inc. of Berkeley, California, in the amount of $3,947,309 for the 2015 CCTV Inspection and Cleaning Services for the Large Sanitary Pipelines Project.

2. Adopting a budget amendment for the appropriation of $2,697,309 from Wastewater Operations and Fund balance to the Sanitary System Deficiency Improvement fund.

Summary

On July 28, 2009, the City Council adopted Resolution 09-0248 approving a Settlement Agreement that resolved litigation between the California Sportfishing Protection Alliance (CSPA) and the City of Stockton. The Settlement Agreement was anticipated as a five-year agreement from September 28, 2009 through September 28, 2014. The Consent Decree was established to ensure that the City uses, implements, and improves ways, means, and methods to prevent sanitary sewer overflows (SSOs).

The main objective of the Consent Decree entails a spill reduction performance standard of five (5) reportable SSOs per 100 miles of sewer line. The other major component of the Consent Decree mandates that the City complete a one-time closed circuit television (CCTV) inspection of all sanitary sewer pipelines between 6” and 72” in diameter in order to assess the condition, rehabilitation, and replacement of its pipelines. In 2013, the City did not meet the requirement of five (5) SSOs per 100 miles of sewer lines. CSPA has agreed to extend the end date of the Consent Decree to December 31, 2015 provided the City meets all of the Consent Decree conditions. The City still needs to complete the CCTV requirement of the entire sanitary system by December 31, 2015. In particular, the remaining work would focus on the CCTV inspection and cleaning of the large pipelines in the City.

Council approval of this 12-month service contract with Pipe and Plant Solutions Inc., (Exhibit 1 to Resolution) in the amount of $3,947,309 will ensure that the City meets its requirement of the Consent Decree to complete the remaining CCTV inspections and cleaning of the 115 miles of large sewer mains by December 31, 2015. Without this service contract in place the City will fail to meet the extended deadline and will be in violation of the Consent Decree.
DISCUSSION

Background

The City was sued by the California Sportfishing Protection Alliance under allegations the City had violated the Federal Clean Water Act (Act) for discharges of pollutants in violation of the 2002 National Pollution Discharge Elimination System (NPDES) Permit.

On July 28, 2009, the City Council adopted Resolution 09-0248 approving the Settlement Agreement that resolved the litigation. The Settlement Agreement is in the form of a Consent Decree, an order enforceable by the Court and effective for at least five years. The Consent Decree requires the implementation of specific programs to significantly reduce SSOs and comply with spill performance standards. Programs have included the implementation of a Fats, Oils and Grease (FOG) program, sewer rehabilitation and replacement projects, CCTV work, and pipeline cleaning.

In order to supplement City staff efforts with the inspections and cleaning of sewer pipelines, the City Council approved a services contract with Empire Pipe Cleaning and Equipment, Inc. to CCTV sanitary sewer pipelines on December 7, 2010 (Council Resolution 10-0383). Empire Pipe Cleaning and Equipment, Inc. and City staff have collectively cleaned and inspected over 737 miles of sewer mains (24 inch or smaller pipes).

The remaining 115 miles of sewer pipeline cleaning and inspection are large diameter sewer mains (24 inch and larger) that require specialized expertise and equipment with greater capability to provide the water pressure and volume, than what the City’s Vactor truck fleet has, to remove the accumulation of grit and debris in the time frame required. Further, the cost associated with the purchase of the specialized equipment needed for this work, and to sufficiently train staff, would not be warranted for a program that requires an infrequent maintenance schedule of every 15 to 20 years. For this reason, it is necessary for the Municipal Utilities Department to contract out the final phase of sewer cleaning and inspections of large diameter pipelines required by the Consent Decree.

Present Situation

The Municipal Utilities Department advertised for bids for the 2015 CCTV Inspection Services of Sanitary Pipelines Project (Project M15006) on August 16, 2014. On September 18, 2014, bids were received by the City Clerk as follows:

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>LOCATION</th>
<th>BID PRICE</th>
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<tbody>
<tr>
<td>1. Quality Pipe Services</td>
<td>Denver, CO</td>
<td>$3,945,237.70</td>
</tr>
<tr>
<td>2. Pipe and Plant Solutions, Inc.</td>
<td>Berkeley, CA</td>
<td>$3,947,309.00</td>
</tr>
<tr>
<td>Engineer's Estimate</td>
<td></td>
<td>$3,273,000.00</td>
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</tbody>
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The bid received by Quality Pipe Services of Denver, Colorado was deemed nonresponsive due to the lack of a bid bond and was rejected.

The bid received by Pipe and Plant Solutions Inc. of Berkeley, California is compliant with the City’s
specifications and is otherwise regular in all respects and the most responsive bidder for this work. Therefore, it is recommended that the City Council award a service contract to Pipe and Plant Solutions Inc. of Berkeley, California, for 2015 CCTV Inspection and Cleaning Services for Sanitary Pipelines (Project M15006). This information will be critical to meet the requirements of the Consent Decree, in the assessment of large pipeline integrity and in scheduling future Capital Improvement Projects to upgrade the City’s sewer collections system.

LOCAL EMPLOYMENT ORDINANCE

This project is subject to the Local Employment Ordinance, and the Contractor shall be required to comply with those requirements.

FINANCIAL SUMMARY

The Sanitary System Deficiency Improvement Fund currently has $1,250,000 available in account 437-7787-670 for this project. The budgetary planning for this project was originally scheduled to be completed over two years. However, due to the recent renegotiation of the Consent Decree, it required an acceleration of the original project schedule. Therefore, funds must be appropriated this fiscal year from Wastewater Operations and the Wastewater Enterprise available fund balance to the Sanitary System Deficiency Improvement Project to cover the total service contract cost of $3,947,309. The remaining Wastewater Enterprise Fund balance would be nearly $18 million after this appropriation and still represents a sufficient reserve.

Funds will be appropriated per the resolution as follows:

From Wastewater Collections’ Operations 431-4332-571 $1,000,000
From Wastewater Enterprise Fund balance $1,697,309
To Sanitary System Deficiency Improvement 437-7787-670 $2,697,309

There is no impact to the General Fund, or any other unrestricted fund, from this action.