



Legislation Text

File #: 23-261, **Version:** 1

Adopt a Resolution to Approve and Authorize the City Manager to Award a \$1,385,330 Construction Contract to Basset Engineering for the Sanitary Sewer Point Repairs 2022 and Wicks Boulevard Vault Cover Replacement Project, Project No. 2022.0120; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% (or \$69,267) of the Original Contract Amount; to Authorize the City Manager to Negotiate and Approve Change Orders up to a Cumulative Value not to Exceed 25% (or \$346,333) of the Original Contract Amount and to Appropriate \$500,000 from the Water Pollution Control Plant Enterprise Funds

COUNCIL PRIORITY

- Public Safety
- Infrastructure

SUMMARY

This contract provides for the repair or replacement of sanitary sewer pipeline facilities throughout the City and the replacement of sanitary sewer vault covers at two (2) locations on Wicks Boulevard.

RECOMMENDATIONS

Staff recommends the following actions:

- Award a construction contract to Basset Engineering in the amount of \$1,385,330;
- Authorize the City Manager to negotiate and approve individual change orders up to 5% (or \$69,267) of the original contract amount;
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value of 25% (or \$346,333) of the original contract amount; and
- Appropriate \$500,000 from the Water Pollution Control Plant Enterprise funds for the subject project.

BACKGROUND

City staff routinely inspects the condition of the sanitary sewer main lines and manholes in the City's service district. The sanitary sewer point repairs project is based upon the inspections that have identified locations of defects or deteriorated facilities to the point that repairs are needed or may be needed soon. Locations that require a significant amount of repetitive maintenance by Public Works, if within the proximity of a repair project, are also included in the scope of work.

On April 17, 2023, by Resolution No. 23-039, the City Council rejected the bids previously submitted for the subject project because the bids did not comply with the Local Business Inclusion Policy Ordinance. As a result, the project was re-advertised, this time incorporating an additional scope of work - to replace two (2) sanitary sewer vault covers located on Wicks Boulevard. The existing vault

covers were failing structurally due to constant subjection to heavy truck loads.

This project, in addition to replacing the vault covers, will repair and replace defective sewer main lines, rehabilitate, upgrade and reconstruct deteriorated manholes, and replace undersized access structures with full sized standard manholes. These improvements, when completed, will increase the system's reliability, reduce the frequency of required maintenance, improve the efficiency of maintenance operations, and reduce the risk of sewage overflows. Existing improvements disturbed by the construction will be restored at the end of the Project.

To re-advertise this project, staff provided more information to the potential bidders on how to meet the requirements of the Local Business Inclusion Policy Ordinance at the pre-bid meetings.

Analysis

Bids were opened on June 1, 2023. Three (3) bids were received ranging between \$1,385,330 and \$1,917,136. The pre-bid engineer's estimate for construction was \$1,131,513. Staff recommends award to the lowest responsive bidder, Basset Engineering. Staff verified that the contractor has a valid Contractor's State License Board license and is registered with the California Department of Industrial Relations.

The lowest bidder provided documentation that demonstrated compliance with both the Local Business Inclusion Policy Ordinance and the Community Workforce Agreement requirements.

As is standard in the construction industry, staff balanced site investigation costs with the risk of finding unforeseen conditions during construction as well as the design costs with the level of detail on the plans. As a result, unforeseen conditions may be encountered during construction and plan details may need to be adjusted or clarified. In order to minimize delays to the project and ensure that the scope of work is adjusted as needed to provide the highest quality project for the City, staff requests authorization to negotiate and approve change orders up to 5% (\$69,267) of the original contract amount and cumulative change orders up to 25% (\$346,333) of the original contract amount. This will help ensure efficient completion of the project on budget and on schedule.

Staff also requests an appropriation of \$500,000 from the WPCP Enterprise funds to ensure the inclusion of the two (2) vault covers replacements on Wicks Blvd., which was not previously budgeted.

Current Agency Policies

- Maintain and enhance San Leandro's infrastructure.

Previous Actions

- On April 17, 2023, by Resolution No. 2023-039, the City Council rejected all bids previously submitted at the February 28, 2023 bid opening because the bids did not comply with the Local Business Inclusion Policy Ordinance.

Applicable General Plan Policies

- *Policy CSF 6.4: Wastewater Collection and Treatment.* Maintain efficient, environmentally sound, and cost-effective wastewater collection and treatment services in San Leandro.

Environmental Review

This project is categorically exempt from the California Environmental Quality Act (CEQA) per Section 15301 Class 1(b) of the CEQA guidelines. The Notice of Exemption was filed with the Alameda County Recorder on March 7, 2023

Summary of Public Outreach Efforts

The Notice to Bidders was published in the Daily Review, the South County Post, and Visión Hispana. Staff also notified twenty-three builders' exchanges and construction data firms, as well as a list of contractors that asked to be notified of bidding opportunities via email. The project is described on the Engineering and Transportation Department's website.

Two mandatory pre-bid meetings were held on May 16, 2023, and May 17, 2023. The intent of these meetings was to inform bidders of the project details, including the City's Local Business Inclusion Policy Ordinance, and address any questions bidders may have.

Prior to construction, staff will notify the residents in the immediate proximity of the work areas. The contractor will also provide notification in the form of door hangers immediately before the work starts.

Financial Impacts

The cost of this Water Pollution Control Plant Enterprise fund project is detailed below. The budget authority section has details on funding types, accounts, and authorizations. CIP accounts are carried forward for five years or until the work is complete, whichever occurs first.

Design and Bid:	\$100,000
Construction Contract and Construction Contingency (Estimate):	\$1,244,662
<u>Construction Management and Inspection:</u>	<u>\$113,149</u>
Total	\$1,944,811

Budget Authority

Sufficient funds are included in the Fiscal Year 2022-2023 Enterprise Fund budget for the project:

<u>Account No.</u>	<u>Source</u>	<u>Fiscal Yr.</u>	<u>Amount</u>
593-52-530	WPCP Enterprise Fund	FY2021-2022	\$750,000
<u>593-52-531</u>	<u>WPCP Enterprise Fund</u>	<u>FY2023-2023</u>	<u>\$750,000</u>
Current			\$1,500,000

<u>Additional appropriation requested by this action</u>	<u>\$500,000</u>
Total Proposed Project Funding	\$2,000,000

ATTACHMENTS

- **Attachment A:** Resolution
- **Attachment B:** Bid Summary

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