



Legislation Text

File #: 15-175, **Version:** 1

Staff Report for a Resolution to Award a Construction Contract to Con-Quest Contractors, Inc. for the Sanitary Sewer Line Replacement/Repair 2012-13 Project, Project No. 2013.0120, and Appropriating \$279,512.00 for the Project from the Water Pollution Control Enterprise Fund

SUMMARY AND RECOMMENDATIONS

This contract provides for the repair or replacement of sanitary sewer and storm facilities throughout the City.

Staff recommends award of the construction contract to the low bidder, Con-Quest Contractors, Inc., in the amount of \$1,114,310.00 for the Base Bid work and Additive Bid Item A. Staff also recommends that the City Council approve an appropriation of Water Pollution Control Enterprise funding of \$279,512.00 for the subject project.

BACKGROUND

City staff routinely inspects the condition of sewer mains and manholes. Based on those inspections, locations that have deteriorated to the point where repairs are needed or may be needed in the near future or those locations that require a significant amount of maintenance by Public Works were included in the scope of work for the subject project.

This project will replace defective sewer mains, reconstruct deteriorated manholes and/or manhole channels, replace deteriorated manhole frames and covers, reroute sewer mains to improve flow velocity as well as miscellaneous work items as identified on the project plans. These improvements will increase system reliability, reduce the frequency of required maintenance, reduce the risk of sewerage overflows and improve system access to increase efficiency of maintenance operations. Existing improvements disturbed by construction will be restored at the end of this project.

Composite non-metallic manhole frames and covers will be utilized on a trial basis at several locations where sewer gases have corroded the existing metal frames and covers. Composite manhole frames and covers have not been previously used on a City project, but they are lighter than metal covers, are unattractive to metal thieves, and are corrosion resistant. The composite covers will have locks operable only with special tools to deter unauthorized access.

This project was previously advertised for bidding in June 2014, but both bids received were rejected. The low bidder did not meet the subcontracting or the Good Faith Efforts requirements specified in the Local Business Preference Ordinance and therefore that bidder's bid was rejected as non-responsive. The second bidder submitted a proposal that significantly exceeded the project budget.

For the re-advertisement of this project, staff provided more information on how to meet the requirements of the Local Business Preference Ordinance in the Notice to Bidders. Also, some of the

work was split off as an additive bid item to insure the base bid would remain within the project budget.

Analysis

This project is subject to San Leandro Municipal Code Section 1-6-225 regarding Local Business Preference during bidding and local business participation.

A total of two bids were received on March 23, 2015. Con-Quest Contractors, Inc. submitted the lowest responsive bid at \$844,589.00 for the base bid, which is the basis of award for this project. Con-Quest Contractors, Inc. is a San Leandro business as defined in the Local Inclusion Policy, so their bid was reduced by \$50,000.00 to \$794,589.00 for comparison purposes with other bidders. The second lowest bidder is not a San Leandro Business, and they submitted a bid of \$940,271.00 for the base bid. The pre-bid engineer's estimate for the base bid is \$642,347.50 and \$830,956.50 for the base bid with additive bid item "A".

The total base bid with additive bid item "A" from Con-Quest Contractors, Inc. is \$1,114,310.00. Staff recommends inclusion of the additive bid item into the contract, since the point repair locations associated with the additive bid item may fail and cause a sanitary sewer overflow prior to the next sewer point repair project. The existing project funding of \$1,120,488.00 is insufficient to cover the total estimated project cost of \$1,400,000.00, therefore an appropriation of \$279,512.00 is requested from the Water Pollution Control Enterprise fund.

Previous Actions

- On July 21, 2014, the City Council by Resolution No. 2014-079 rejected all bids for the subject project

Applicable General Plan Policies

- Policy 52.04: Maintain efficient, environmentally sound, and cost-effective wastewater collection and treatment services in San Leandro.

Environmental Review

This project is categorically exempt from CEQA per Section 15302 - Replacement or Reconstruction, Class 2. The Notice of Exemption was filed with the Alameda County Recorder's Office on July 22, 2013.

Summary of Public Outreach Efforts

This project was advertised in the Daily Review on February 26, 2015 as well as in three other newspapers whose circulation reflects the diversity of San Leandro. Staff also notified contractors interested in working with the City via email and sent plans to bid houses.

Prior to construction, staff will notify residents and businesses whose property will be directly impacted.

Fiscal Impacts

The total project cost including design, contingency and construction management is estimated to be \$1,400,000.00.

Budget Authority

This project will be funded as follows:

- 1) \$500,000.00 - Water Pollution Control Enterprise Funds, Sanitary Sewer Line Replacement/Repair 2013, Account No. 593-52-253, allocated in FY 2012-13
- 2) \$600,000.00 - Water Pollution Control Enterprise Funds, Sanitary Sewer Line Replacement/Repair 2014, Account No. 593-52-256, allocated in FY 2013-14 and 2014-15
- 3) \$20,488.00 - Measure B Funds, Storm Drain Outfall Repair, Account No. 144-38-340, allocated in FY 2014-15
- 4) \$279,512.00 - Water Pollution Control Enterprise Funds, Account No. 593-52, Council approved appropriation via the attached Resolution

ATTACHMENT

- Bid Summary - Sanitary Sewer Line Replacement/Repair 2012-13

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