



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jon Cicirelli

SUBJECT: 8730-SANITARY SEWER REPAIRS
2017-18 PACKAGE IV

DATE: April 16, 2018

Approved

Date

4/26/18

COUNCIL DISTRICTS: 1 & 6

RECOMMENDATION

Report on bids and award of contract for the 8730-Sanitary Sewer Repairs 2017-18 Package IV Project to the low bidder, JMB Construction Inc., in the amount of \$1,410,045, and approve a contingency in the amount of \$141,005.

OUTCOME

Award of the construction contract to JMB Construction Inc. will enable the 8730-Sanitary Sewer Repairs 2017-18 Package IV Project to proceed. Approval of a ten percent contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the project.

BACKGROUND

The Department of Public Works has developed a Sanitary Sewer Condition Assessment Program to evaluate the existing condition of the City's sanitary sewer pipelines. Sanitary sewer pipelines are video inspected and defects are observed and coded in accordance to the National Association of Sewer Service Companies' (NASSCO) Pipeline Assessment and Certification Program (PACP) standards. Past closed-circuit television (CCTV) projects have identified sanitary sewer mains that have severe structural issues and warrant immediate repair.

This project is located in Council Districts 1 and 6, in central San José (map attached). This project will remove and replace approximately 3,780 linear feet of 6-inch sanitary sewer mains using open-cut replacement methods and will rehabilitate 24 existing manholes.

Construction is scheduled to begin in July 2018 with substantial completion in November 2018.

ANALYSIS

Bids for this project were opened on March 29, 2018 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Engineer's Estimate	\$1,567,153.00	--	--
JMB Construction, Inc. (South San Francisco, CA)	\$1,410,045.00	(\$157,108.00)	(10%)
Cratus, Inc. (San Francisco, CA)	\$1,552,903.00	(\$14,250.00)	(1%)
Pacific Underground Construction, Inc. (San Jose, CA)	\$1,580,458.00	\$13,305.00	1%

There were a total of three bids submitted which varied from one percent over and ten percent under the Engineer's Estimate. The low bid submitted by JMB Construction, Inc. was ten percent under the Engineer's Estimate.

JMB Construction, Inc. has worked on City projects as a prime contractor. Staff considers the low bid acceptable for the work involved in the project and recommends award of contract to JMB Construction, Inc.

City Council Policy provides for a standard contingency of ten percent on public works projects involving utilities, storm drains or sanitary sewers. The standard contingency is appropriate for this project.

EVALUATION AND FOLLOW-UP

This project is currently within budget and on schedule with expected completion by November 2018. No additional follow up action with the City Council is expected at this time.

PUBLIC OUTREACH

To solicit contractors, this project was listed on Bidsync and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects were provided to various contractor organizations and builders' exchanges.

This memorandum will be posted on the City's website for the May 8, 2018, City Council agenda.

COORDINATION

This project and memorandum have been coordinated with the Department of Planning, Building and Code Enforcement, the Department of Transportation, the City's Attorney Office, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

There is no commission recommendation or input associated with this action.

FISCAL/POLICY ALIGNMENT

This project is consistent with the City Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$ 1,410,045
	Project Delivery	\$321,753 *
	Construction	\$1,410,045
	Contingency	\$141,005
	Total Project Costs	<u>\$1,872,803</u>
	Cost to Date Expenditures	(\$12,453)
	REMAINING PROJECT COSTS	\$1,860,350

* Project delivery includes \$20,804 for Design Services and \$294,300 for Inspection, Survey and Materials Lab Services, Construction Management, and project closeout costs.

2. COST ELEMENTS OF CONTRACT:

Mobilization, Permits, and Traffic Control	\$257,493
Pipeline Installation	\$1,105,552
Manhole Installation/Rehabilitation	\$47,000
TOTAL AGREEMENT/CONTRACT AMOUNT	\$1,410,045

3. SOURCE OF FUNDING: 545 - Sewer Service and Use Charge Capital Improvement Fund.

4. OPERATING COSTS: The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the Sewer Service and Use Charge Fund or General Fund operating budgets.

BUDGET REFERENCE

The table below identifies the funds and appropriations to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2017-2018 Adopted Capital Budget (Page)	Last Budget Action (Date, Ord.No.)
545	4272	Immediate Replacement & Diversion Projects	191875	\$6,500,000	\$1,410,045	200	6/20/17, 29962

CEQA

Exempt, File No. PP17-029.

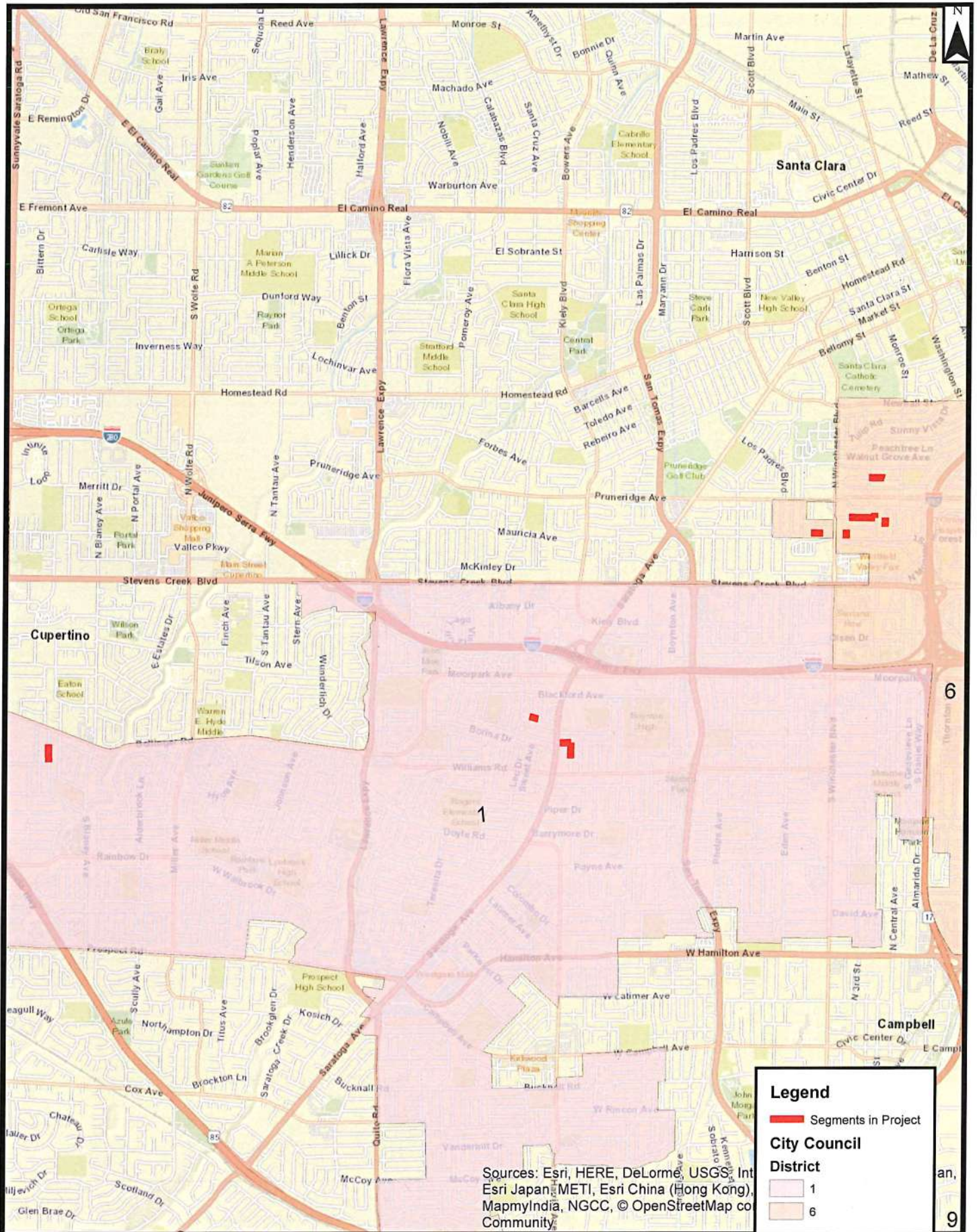
/s/
JON CICIRELLI
Acting Director of Public Works

For questions please contact Acting Assistant Director, Michael O'Connell at (408) 535-8300.

Attachments:

- Location Map
- Council District 1 Location Map
- Council District 6 Location Map

8730 - Sanitary Sewer Repairs 2017-18 Package IV Location Map



Legend

- Segments in Project

City Council District

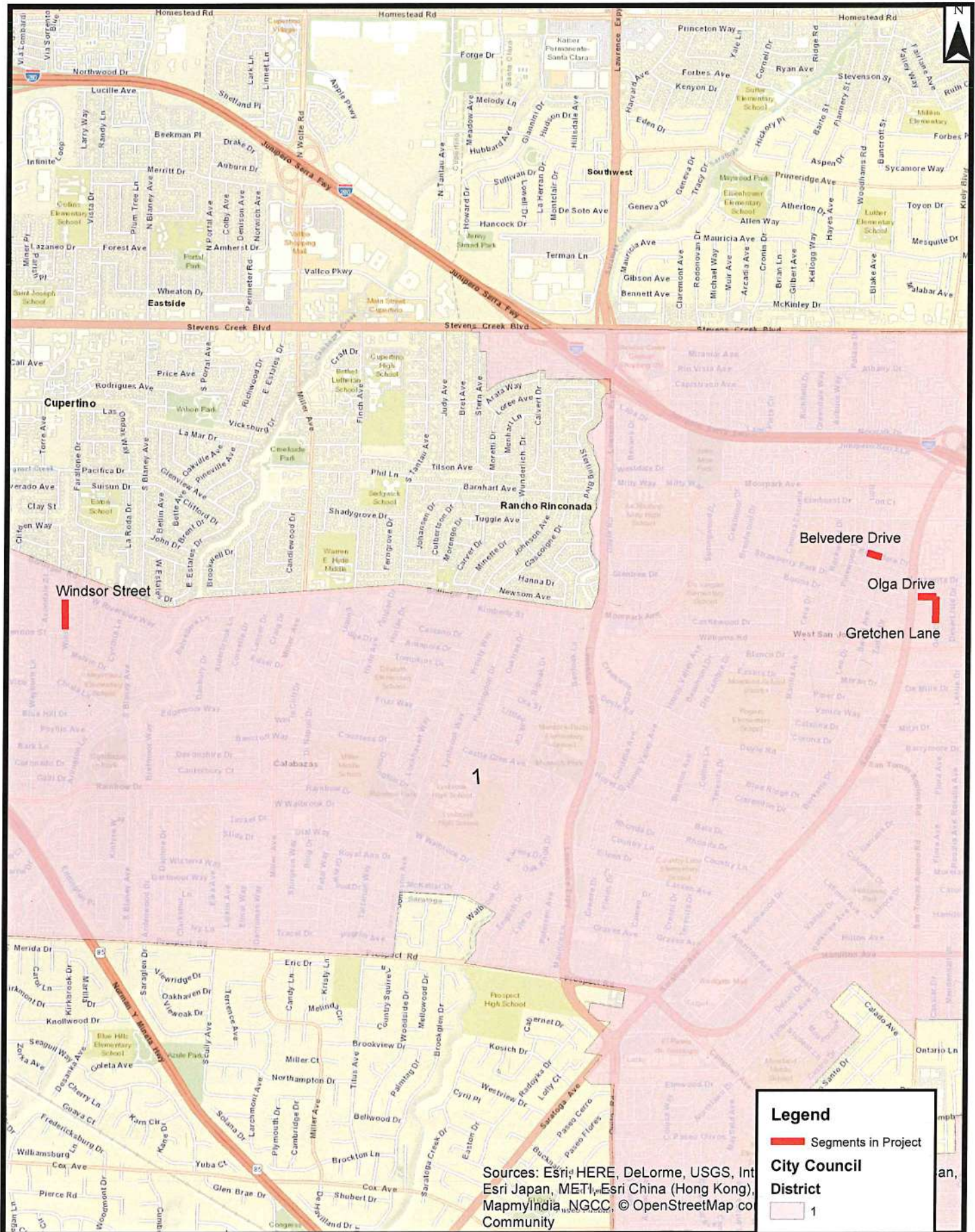
- 1
- 6
- 9

Sources: Esri, HERE, DeLorme, USGS, Int
Esri Japan, METI, Esri China (Hong Kong),
MapmyIndia, NGCC, © OpenStreetMap co
Community

0 0.275 0.55 1.1 Miles

8730 - Sanitary Sewer Repairs 2017-18 Package IV Council District 1 Location Map

Belvedere Drive, Gretchen Lane, Olga Drive, Windsor Street



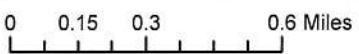
Legend

- Segments in Project

City Council District

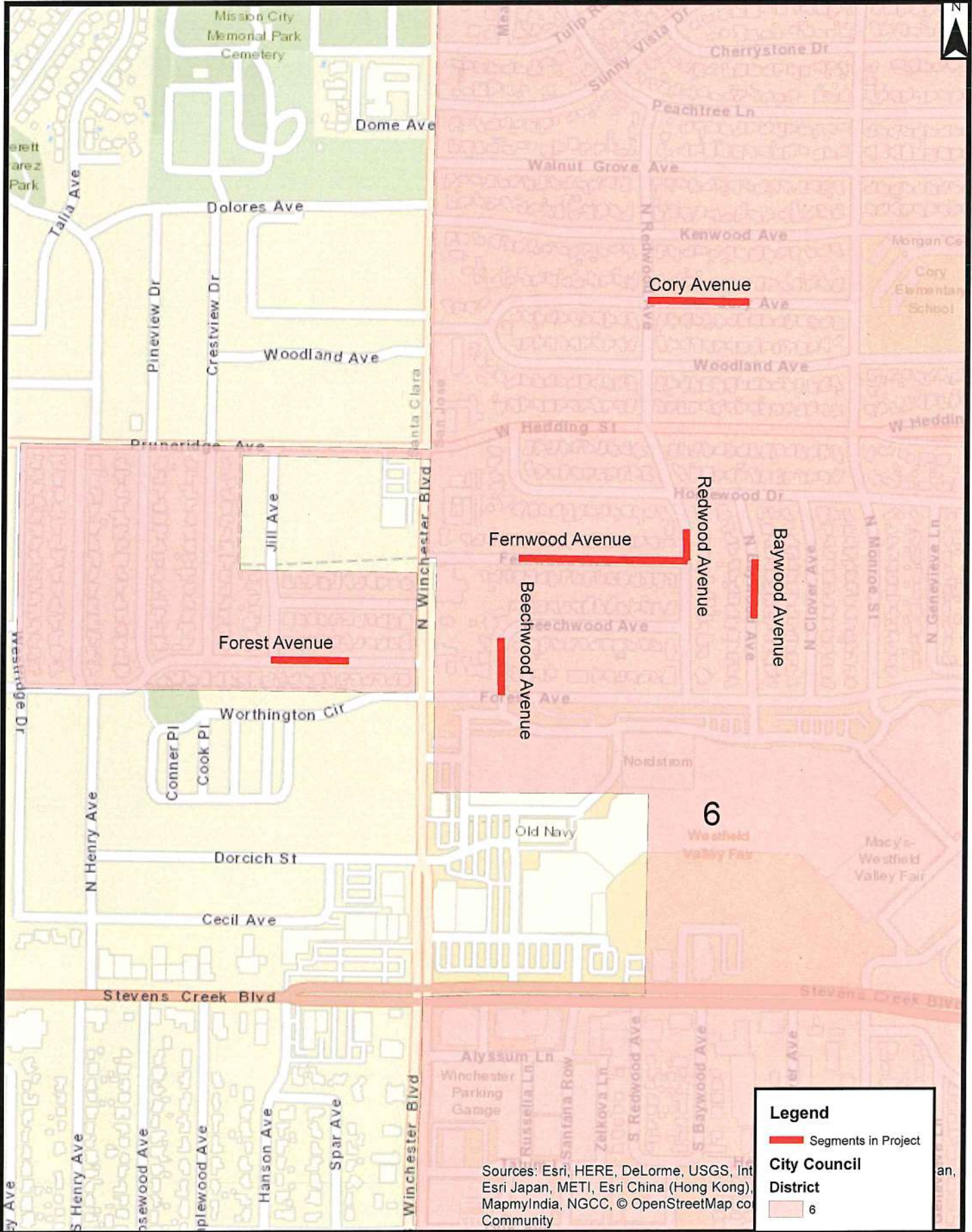
- 1

Sources: Esri, HERE, DeLorme, USGS, Intel, Esri Japan, METI, Esri China (Hong Kong), MapmyIndia, NGCC, © OpenStreetMap Community



8730 - Sanitary Sewer Repairs 2017-18 Package IV Council District 6 Location Map

Baywood Avenue, Beechwood Avenue, Cory Avenue, Fernwood Avenue,
Forest Avenue, Redwood Avenue



0 0.0425 0.085 0.17 Miles