



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Loesch

SUBJECT: See Below

DATE: February 3, 2025

Approved  Date: 2/10/25

COUNCIL DISTRICT: 2

SUBJECT: Report on Bids and Award of Contract for the 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement Project

RECOMMENDATION

- (a) Report on bids and award of contract for the construction of 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement Project to the lowest responsive, responsible bidder, JMB Construction, Inc., in the amount of \$1,360,750; and
- (b) Approve a 10% contingency in the amount of \$136,075.

SUMMARY AND OUTCOME

Award of the contract to JMB Construction, Inc., enables the 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement Project (Project) to proceed with construction to replace a sanitary sewer manhole and restore surface conditions of a sinkhole. The completion of the Project will improve reliability of the sanitary sewer system in the area.

Approval of the 10% contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the Project.

BACKGROUND

The City’s Department of Transportation maintains and operates the City’s sanitary sewer collection system. This Project was created as a request from the Department of Transportation to repair a sinkhole located on a Santa Clara Valley Water District maintenance road inside County of Santa Clara Martial Cottle Park (**Attachment A – Project Location Map 10465 – Martial Cottle Park Sanitary Sewer Manhole**

Subject: Report on Bids and Award of Contract for the 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement Project

Replacement.) The sinkhole developed as a result of a damaged pipe connection to a sanitary sewer manhole. This Project will remove and replace the damaged sanitary sewer manhole and pipe connections, rehabilitate the manhole and pipes, and restore the maintenance road surface to prior conditions. Construction is anticipated to start in May 2025 and completed in September 2025.

ANALYSIS

Bids were opened on December 19, 2024, with the following results.

Contractor	Bid Amount	Variance Amount	Over/(Under) Percent
JMB Construction, Inc. (South San Francisco)	\$1,360,750	(\$376,000)	(22)
A & B Construction, Inc. (Oakland)	\$1,458,400	(\$278,350)	(16)
Cratus, Inc. (San Francisco) <i>(non-responsive)</i>	\$1,527,400	(\$209,350)	(12)
Engineer's Estimate	\$1,736,750	--	--
Koios Engineering, Inc. (San Francisco)	\$1,868,250	\$131,500	8
SubTerra Construction, Inc. (San Francisco) <i>(non-responsive)</i>	\$1,947,450	\$210,700	12

The bids from Cratus, Inc. and SubTerra Construction, Inc. were deemed non-responsive for failing to submit required California Air Resources Board certificates of reported compliance for their subcontractors' fleets.

Bid Price Analysis

The low bid submitted by JMB Construction, Inc. is 22% below the Engineer's Estimate. The lower than estimated bid can be attributed to a competitive bidding environment and the contractor's familiarity with this type of work. Staff considers the low bid to be competitive and acceptable for the work involved.

Contractor Responsibility Analysis

JMB Construction, Inc. has successfully completed multiple sanitary and storm sewer projects for the City, including 8730 – Sanitary Sewer Repairs 2017-18 Package IV accepted in January 2019, 8775 – Sanitary Structure Cover Repairs II accepted in May

HONORABLE MAYOR AND CITY COUNCIL

February 3, 2025

Subject: Report on Bids and Award of Contract for the 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement Project

Page 3

2021, and 9478 – Large Trash Capture Device - Sonora and Oswego Retrofits accepted in March 2022.

Contingency

San José Municipal Code Section 27.04.050 provides for a standard contingency of 10% on all public works contracts except those involving the renovation of a building or buildings. The standard 10% contingency is appropriate for this Project.

Wage Theft Prevention Policy Check

The Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on December 19, 2024 and again on January 6, 2025. No wage theft issues were identified.

Project Labor Agreement Applicability

The City's Project Labor Agreement is applicable to this Project because the Engineer's Estimate is over \$1,210,000.

Local and Small Business Analysis

The recommended contractor is not a local or a small business enterprise. No local and/or small business enterprise were listed as subcontractors.

EVALUATION AND FOLLOW-UP

No additional follow-up action with the City Council is expected at this time.

COST SUMMARY/IMPLICATIONS

The source of funding for the Project is through the 545 Sewer Service and Use Charge Capital Improvement Fund. The proposed operating and maintenance costs of this Project have been reviewed and it has been determined that this Project will have no net operating and maintenance costs.

1. TOTAL COST OF PROJECT:	
Project Delivery*	\$ 453,175
Construction (See Cost Breakdown Below)	1,360,750
Contingency	136,075
TOTAL PROJECT COSTS	\$1,950,000
Prior Years' Expenditures and Encumbrances	46,430
TOTAL REMAINING PROJECT COSTS	\$1,903,570

HONORABLE MAYOR AND CITY COUNCIL

February 3, 2025

Subject: Report on Bids and Award of Contract for the 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement Project

Page 4

*Project delivery includes \$46,430 for design services and \$406,745 for construction management, inspection services, survey, materials lab services, utilities, and project closeout costs.

2. COST ELEMENTS OF CONTRACT:

Mobilization	\$ 90,000
Trench Shoring and Dewatering	286,000
Diversion	610,000
Manhole and Pipe Replacement	274,200
Other Construction Costs	100,550
TOTAL BASE BID AMOUNT	\$1,360,750

BUDGET REFERENCE

The table below identifies the fund 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. #	Appropriation Name	Total Appropriation	Amount for Contract	2024-2025 Capital Budget Page	Last Budget Action (Date, Ord. No.)
545	4272	Immediate Replacement and Diversion Projects	\$6,500,000	\$860,750	197	06/18/2024, 31102
545	7361	Reinforced Concrete Pipe Rehabilitation Program	\$500,000	\$500,000	207	06/18/2024, 31102

COORDINATION

This memorandum has been coordinated with the City Attorney’s Office, the City Manager’s Budget Office, and the Planning, Building and Code Enforcement Department.

PUBLIC OUTREACH

This memorandum will be posted on the City’s Council Agenda website for the February 25, 2025 City Council meeting.

HONORABLE MAYOR AND CITY COUNCIL

February 3, 2025

Subject: Report on Bids and Award of Contract for the 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement Project

Page 5

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Exempt, File No. ER22-049. CEQA Guidelines Sections 15301 (b) Existing Facilities.
(**Attachment B** – Statement of Exemption ER22-049.)

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

Matt Loesch
Director of Public Works

For questions, please contact Mathew Nguyen, Public Works Deputy Director, at mathew.nguyen@sanjoseca.gov or (408) 535-8300.

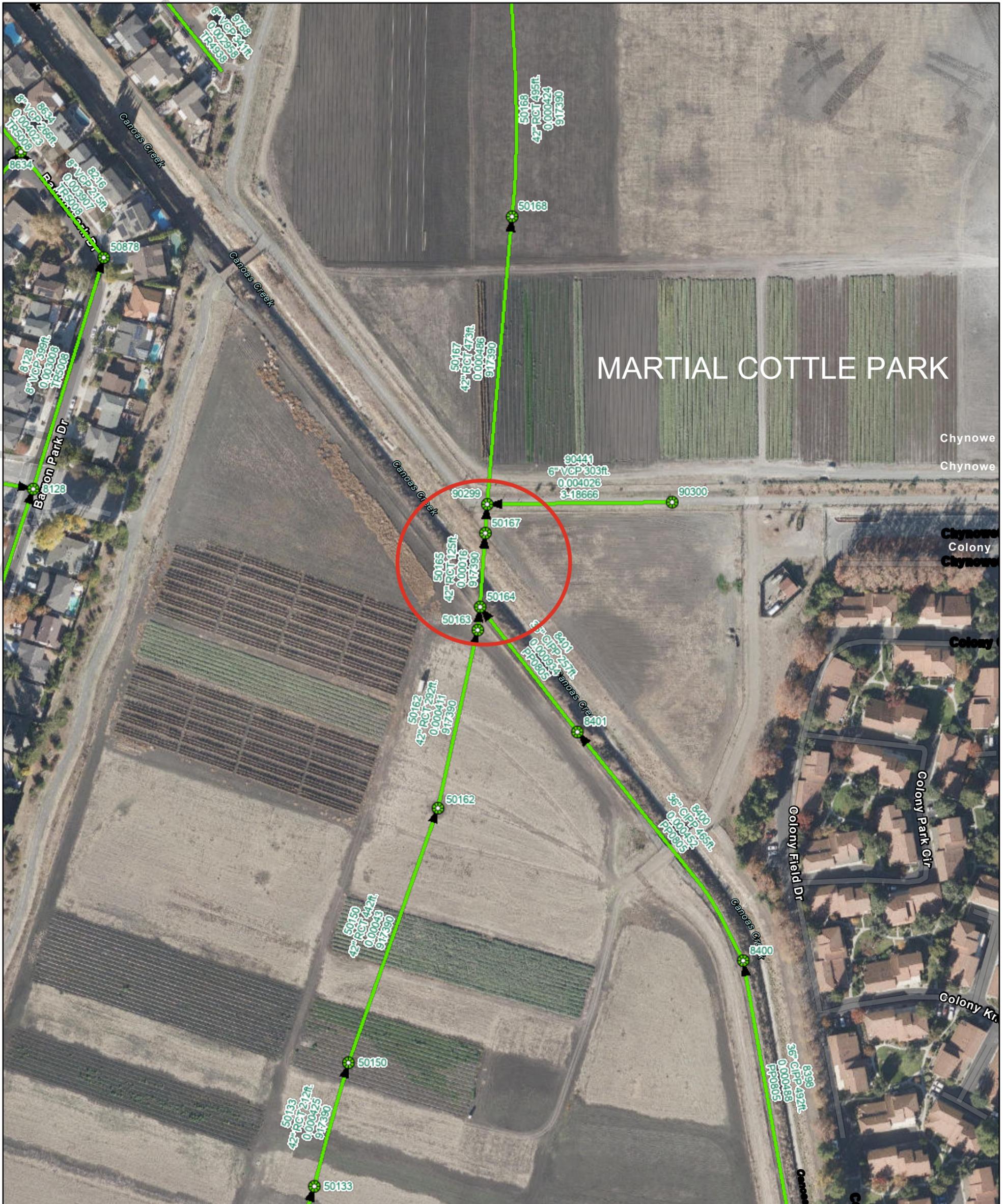
ATTACHMENTS

Attachment A – Project Location Map 10465 – Martial Cottle Park Sanitary Sewer Manhole Replacement

Attachment B – Statement of Exemption ER22-049

ATTACHMENT A PROJECT LOCATION MAP

10465 - Martial Cottle Park Sanitary Sewer Manhole Replacement



- ▶ Sanitary Gravity Mains
- Sanitary Manholes

STATEMENT OF EXEMPTION

FILE NO.	ER22-049
LOCATION OF PROPERTY	Citywide
PROJECT DESCRIPTION	Public Project Exemption for projects involving the removal and replacement of existing sanitary sewer pipelines ranging from approximately 4- to 30-inch diameter and associated facilities (e.g. manholes) located in the public-right-of-way and/or in a public utility easement (PUE) throughout the City of San Jose. These projects may result in replacing the existing sewer pipeline with a different material than the original but will not increase the size of the sewer pipelines and will not result in expansion of capacity. New associated facilities, such as manholes, may be installed as part of the replacement work. The purpose of this work is to rehabilitate, maintain and ensure efficiency and safety of the existing utility service system. This exemption is only valid for projects that are within the scope of work as described.

Expiration date: April 20, 2027.

CERTIFICATION

Under the provisions of Sections 15301(b) and 15302(c) of the State Guidelines for Implementation of the California Environmental Quality Act (CEQA) as stated below, this project is found to be exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended.

15301. EXISTING FACILITIES

Class 1 consists of operation, repair, maintenance, permitting, leasing, licensing, or minor alternation of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The types of "existing facilities" itemized below are not intended to be all-inclusive of the types of projects which might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of an existing use. Examples include but are not limited to:

- (b) Existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services

ANALYSIS

Public Project Exemption for projects involving the removal and replacement of existing sanitary sewer pipelines ranging from approximately 4- to 30-inch diameter and associated facilities (e.g. manholes) located within the City of San Jose. These projects may result in replacing the existing sewer pipeline with a different material than the original but will not increase the size of the sewer pipelines and will not result in

expansion of capacity. New associated facilities, such as manholes, may be installed as part of the replacement work. The purpose of this work is to rehabilitate, maintain and ensure efficiency and safety of the existing utility service system.

All segments of sewer mains to be removed and replaced are located within the City boundary and are located within the right-of-way and/or a PUE. The work proposed would be within existing disturbed areas and the project would not expand the capacity or length of the existing sanitary sewer segments. Therefore, the project will not result in substantial adverse impact to sensitive biological resources and will not adversely affect creeks or riparian corridor areas. In addition, any tree that is not a Heritage tree that must be removed as a result of the project shall be removed and replaced in accordance with the Department of Transportation regulations.

This exemption is only valid for projects that are within the scope of work described. This exemption will not be useable for any segments that have significant impacts to scenic highways, historical resources, or in areas that are included on any list compiled pursuant of Section 65962.5 of the Government Code. Removal and replacement of sewer mains that could potentially affect unpaved riparian areas would need additional environmental analysis.

As the project consists of inspection and replacement of existing utilities facilities or structures, the project, will not involve expansion of the existing use and will only repair existing public infrastructures. Therefore, the project is exempt to CEQA Guideline Section 15301(b) and 15302(c). Projects that are not within the scope of work, as mentioned and analyzed in this exemption, will require separate environmental review and determination. This exemption is valid until April 20, 2022.

Exceptions:

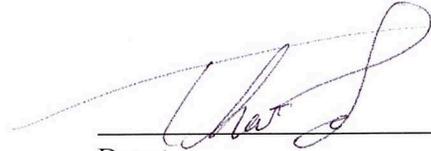
CEQA Guidelines Section 15300.2 provides exceptions to the use of a Categorical Exemptions where the use of a Categorical Exemption is prohibited under certain circumstances. The City evaluated the propose project applicability to all the exceptions under Section 15300.2. An analysis of each of these exceptions in reference to this proposed project is provided below.

- (a) Location. Class 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located. Section 15300.2(a) started that a project that is ordinarily insignificant in its impact on the environment may, in a particularly sensitive environment, be significant. Section 15300.2(a) does not apply to the Class Category 1 and 2 of exemptions as the project will not occur in a sensitive area.
- (b) Cumulative Impact. Based on the above analysis, there is no evidence of a potential significant cumulative impact on the environment from the proposed project. The project proposes replacement of existing sewer mains throughout the city. It has been determined that the project will not cumulatively impact traffic, noise, air quality, or water quality.
- (c) Significant Effect. The proposed project site does not have any unusual circumstances that would negatively impact the environment; thus, the project would not result in any significant environmental effects.
- (d) Scenic Highways. It is not anticipated that the specific project sites will results in damage to any scenic resources. If one does, it is subject to 15300.2(d) and may not utilize this categorical exemption.
- (e) Hazardous Waste Sites. It is not anticipated that the specific project sites will be implemented in area that is included on any list compiled pursuant to Section 65962.5 of the Government Code. If one does, it is subject to 15300.2(e) and may not utilize this categorical exemption.

- (f) Historical Resources. It is not anticipated that the specific project sites will result in damage to any historic resources. If one does, it is subject to 15300.2(f) and may not utilize this categorical exemption.

Christopher Burton, Director
Planning, Building and Code Enforcement

Date 03/17/2022



Deputy

Environmental Project Manager:
Nhu Nguyen