



COUNCIL AGENDA: 05-22-18

FILE: 18-659

ITEM: 7.2

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kerrie Romanow

SUBJECT: SEE BELOW

DATE: April 30, 2018

Approved

D. D. Syl

Date

5/10/18

**SUBJECT: 8641 - SOUTH BAY WATER RECYCLING PUMP STATION
HVAC PROJECT**

RECOMMENDATION

Report on bids and award of contract for the 8641 - South Bay Water Recycling Pump Station Heating, Ventilation, and Air Conditioning Project to the low bidder, Blocka Construction Inc., in the amount of \$406,000 and approve a contingency in the amount of \$40,600.

OUTCOME

Award of the construction contract to Blocka Construction, Inc. will enable the 8641 - South Bay Water Recycling (SBWR) Pump Station Heating, Ventilation, and Air Conditioning (HVAC) 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 SBWR Program is responsible for the production and distribution of recycled water in the South Bay serving customers and residents in the cities of San José, Santa Clara, and Milpitas. SBWR began its operation in 1998 with a requirement to divert treated wastewater from Bay discharge. Currently, the SBWR system has five pump stations, two reservoirs, and over 150 miles of pipeline servicing more than 850 recycled water customers. The project will install air conditioning improvements to cool the mechanical control room in Pump Station 5 at 11th Street and Keyes Ave and install ventilation equipment to cool motor control equipment in Pump Station 8/11 at Yerba Buena Road and Baronet Court. The project is anticipated to be completed December 2018.

SBWR has numerous operations and maintenance projects needed to maintain system operations that impact San José-Santa Clara Regional Wastewater Facility staff, and critical customers such as power stations, and maintain system reliability that assures revenue from use, and protection

April 30, 2018

Subject: 8641 - South Bay Water Recycling Pump Station HVAC Project

Page 2

of public health and safety. This project is recommended by the 2014 South Bay Water Recycling Strategic and Master Plan be completed to maintain SBWR system operations and reliability.

ANALYSIS

Bids for the project were opened on January 25, 2018, with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Engineer's Estimate	\$350,000	---	---
Blocka Construction, Inc. (Fremont)	\$406,000	\$56,000	16
WestCal Design and Build, Inc. (Union City)	\$429,120	\$79,120	23

Two bids were received for this project. The low bid submitted by Blocka Construction, Inc. is 16 percent over the Engineer's Estimate and the other bid submitted by WestCal Design and Build, Inc. is 23 percent over the Engineer's Estimate. Staff considers the low bid submitted for this project acceptable for the work involved and recommends award of the contract to Blocka Construction, Inc.

Council Policy provides for a standard contingency of 10 percent on public works projects involving building projects. The standard contingency is appropriate for this project.

EVALUATION AND FOLLOW-UP

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

PUBLIC OUTREACH

To solicit contractors, this project was listed on BidSync and advertised in the *San José Post Record*. The complete bid package and project information are available on BidSync for interested contractors, contractor organizations and builders' exchanges.

This memorandum will be posted on the City's Council Agenda website for the May 22, 2018 City Council Meeting.

April 30, 2018

Subject: 8641 - South Bay Water Recycling Pump Station HVAC Project

Page 3

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

This item is scheduled to be heard at the May 17, 2018 TPAC meeting. A supplemental memo with the committee's recommendation will be included in the amended May 22, 2018 City Council meeting agenda.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$406,000
Project Delivery	\$125,000 *
Construction	406,000
Contingency	40,600
Total Project Costs	<u>571,600</u>
Cost to Date Expenditures	<u>85,000</u>
REMAINING PROJECT COSTS	\$486,600

* Project delivery includes \$80,000 for Design Services and \$45,000 for Inspection, Testing, Construction Management, and project closeout costs.

2. COST ELEMENTS OF AGREEMENT:

Electrical Modifications	\$121,000
HVAC Equipment Installation	245,000
Ceiling Tile and Insulation Installation	5,000
Controls Installation	35,000
TOTAL AGREEMENT:	<u>\$406,000</u>

3. SOURCE OF FUNDING:

Fund 513 – San José-Santa Clara Treatment Plant Operating Fund

HONORABLE MAYOR AND CITY COUNCIL

April 30, 2018

Subject: 8641 - South Bay Water Recycling Pump Station HVAC Project

Page 4

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the contract recommended as part of this memorandum.

Fund #	Appn. #	Appn. Name	Total Appn.	Amount for Agreement	2017-2018 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
513	0762	Non-Personal/ Equipment	\$34,082,102	\$406,000	1037	10/17/2017, Ord. No. 30014

CEQA

Exempt, File No. PP17-067.

/s/

KERRIE ROMANOW

Director, Environmental Services

For questions please contact Jeff Provenzano, Deputy Director, South Bay Water Recycling, at (408) 277-3288.