



COUNCIL AGENDA: 03/19/19
FILE: 19-072
ITEM: 2.9

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kerrie Romanow

SUBJECT: SEE BELOW

DATE: February 27, 2019

Approved

Date

2-28-19

COUNCIL DISTRICT: 7

**SUBJECT: 8716 - SOUTH BAY WATER RECYCLING PUMP STATION 5
VFD REPLACEMENT**

RECOMMENDATION

Report on bids and award of contract for the 8716 - South Bay Water Recycling Pump Station 5 VFD Replacement project to the low bidder, CESCORP dba CAL ELECTRIC, in the amount of \$243,100 and approve a contingency in the amount of \$24,300, for a total of \$267,400.

OUTCOME

Award of the construction contract to CESCORP dba CAL ELECTRIC will enable the 8716 - South Bay Water Recycling Pump Station 5 Variable Frequency Drive Replacement 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 South Bay Water Recycling 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 remove and replace three existing variable frequency drives that power the recycled water pumps at Pump Station 5.

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

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 December 20, 2018, with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Engineer's Estimate	\$ 250,000	---	---
Blocka Construction, Inc. (Fremont)	\$1,021,000	\$771,000	308%
CESCOP dba CAL ELECTRIC (Fairfield)	\$ 243,100	\$ 6,900	(3%)

There were two bids submitted; one was three-hundred and eight percent over the Engineer's Estimate and the other was three percent under the Engineer's Estimate. The low bid submitted by CESCOP dba CAL ELECTRIC is three percent under 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 CESCOP dba CAL ELECTRIC.

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

Follow-up with the City Council is not expected 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 March 19, 2019, City Council Meeting.

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 March 14, 2019 TPAC meeting. A supplemental memo with the committee's recommendation will be included in the amended March 19, 2019 City Council meeting agenda.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Project Delivery	\$ 90,000 *
Construction	243,100
Contingency	24,300
Total Project Costs	<u>357,400</u>
Cost to Date Expenditures	<u>40,000</u>
REMAINING PROJECT COSTS	\$317,400

* Project delivery includes \$40,000 for Design Services and \$50,000 for Inspection, Testing, Construction Management, and project closeout costs.

2. COST ELEMENTS OF AGREEMENT:

Remove and Replace Variable Frequency Drives	\$225,600
Start-up, Testing and Training	17,500
TOTAL AGREEMENT:	<u>\$243,100</u>

3. SOURCE OF FUNDING:

Fund 570 – South Bay Water Recycling Operating Fund

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	2018-2019 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
570	0762	Non-Personal/ Equipment	\$4,260,943	\$243,100	X-84	10/16/2018, Ord. No. 30172

HONORABLE MAYOR AND CITY COUNCIL

February 27, 2019

Subject: 8716 - SBWR Pump Station 5 VFD Replacement

Page 4

CEQA

Exempt. File No. PP17-068.

/s/

KERRIE ROMANOW

Director, Environmental Services

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