



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Matt Cano

**SUBJECT: 8746 - MISCELLANEOUS  
SANITARY SEWER REPAIRS  
FY 17-18 (PACKAGE I)**

**DATE:** October 28, 2019

Approved

Date

11/7/19

**COUNCIL DISTRICT: 1**

## **RECOMMENDATION**

Report on bids and award of contract for the 8746- Miscellaneous Sanitary Sewer Repairs FY 17-18 (Package I) to the low bidder, Casey Construction, Inc., for the base bid and Add Alternate No. 1, in the amount of \$1,997,797 and approve a contingency in the amount of \$199,779.

## **OUTCOME**

Award of the construction contract to Casey Construction, Inc. will enable the 8746- Miscellaneous Sanitary Sewer Repairs FY 17-18 (Package I) 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 Miscellaneous Sanitary Sewer Repairs FY 17-18 (Package I) project is located along Casa View Drive, Miramar Avenue, Rio Vista Avenue, Capistrano Avenue, Casa Blanca Drive, and Stevens Creek Boulevard.

This project was developed after condition assessment video inspections indicated severe pipe defects, including multiples breaks, cracks, and sags. This project will utilize open-cut methods To remove approximately 6,800 feet of 6-inch and 8-inch vitrified clay pipe (VCP) and install 6-inch, 8-inch, and 10-inch VCP. In addition, this project will remove existing 6-inch cast iron pipe (CIP) and install 6-inch ductile iron pipe (DIP). The construction of 14 new sanitary sewer manholes will also be included.

In coordination with the Department of Transportation, this project will include Add Alternate No. 1, which consists of paving restoration along Rio Vista Avenue between Casa View Drive

and Loma Linda Drive. This portion of the work will be funded with VTA Measure B sales tax funding

Construction is scheduled to begin in February 2020 with substantial completion by August 2020.

### ANALYSIS

Bids for this project were opened on September 19, 2019 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Add Alt. Total</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Casey Construction Inc. (San Jose)	\$1,931,004.00	\$66,793.10	\$1,997,797.10	(\$121,385.90)	(6)
<b>Engineer's estimate</b>	<b>2,078,178.00</b>	<b>41,005.00</b>	<b>2,119,183.00</b>	---	---
Westland Contractors Inc. (Oakland)	2,136,368.00	38,816.50	2,175,184.50	56,001.50	3
Bay Pacific Pipelines Inc. (Novato)	2,048,273.00	179,850.00	2,228,123.00	108,940.00	5
JMB Construction, Inc. (South San Francisco)	2,468,270.00	71,371.20	2,539,641.20	420,458.20	20
Cratus, Inc. (San Francisco)	2,630,903.00	56,345.40	2,687,248.40	568,065.40	27
Pacific Underground Construction Inc. (San Jose)	2,677,890.00	64,838.00	2,742,728.00	623,545.00	29

There were a total of six bids submitted that varied from six percent below to twenty-nine percent over the Engineer's Estimate. The low bid submitted by Casey Construction Inc. is six percent below the Engineer's Estimate. Staff considers the low bid and Add Alternate No. 1 submitted for this project to be acceptable for the work involved and recommends award of contract to Casey Construction Inc.

Casey Construction Inc. has consistently submitted bids on City projects and has successfully completed numerous sanitary sewer projects with the City in the past. For this project, Casey Construction Inc. listed G. Bortolloto & Company Inc., (San Carlos), R.C. Shay & Co., Inc. (Redwood City), and Presidio Systems, Inc. (Livermore) as their subcontractors to perform work on grinding and paving, striping, and closed-circuit television, respectively.

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

### **Project Labor Agreement Applicability**

A project labor agreement (PLA) is not applicable to this project as the engineer's estimate is under three million dollars.

### **Local and Small Business Outreach**

The recommended contractor is, Casey Construction Inc., both a local and small business. In order to facilitate local and small business participation on this project, the project engineers separated the following items for subcontracting opportunities: street clean-up; traffic control; pavement improvement; traffic striping and pavement markings; loop detectors; and cleaning and inspection of sanitary sewer laterals in order to facilitate the ability for more local contractors to bid on the project.

### **CONCLUSION**

In summary, this memorandum reported the bids for contract 8746- Miscellaneous Sanitary Sewer Repairs FY 17-18 (Package I). The award of construction contract to Casey Construction, Inc. for the base bid and Add Alternate No. 1, in the amount of \$1,997,797 and approved contingency of \$199,779. Construction is scheduled to begin in February 2020 with substantial completion by August 2020.

### **EVALUATION AND FOLLOW-UP**

This project is currently scheduled to be completed by August 2020. No additional follow up action with the City Council is expected at this time.

### **CLIMATE SMART SAN JOSE**

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

### **PUBLIC OUTREACH**

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

This memorandum will be posted on the City's website for the November 19, 2019, City Council agenda.

### **COORDINATION**

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

### **COMMISSION RECOMMENDATION/INPUT**

This item does not have input from a board or commission.

### **FISCAL/POLICY ALIGNMENT**

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

### **COST SUMMARY/IMPLICATIONS**

#### **1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:**

Project Delivery (Base Bid)	\$772,402*
Construction Base Bid	1,931,004
Add Alternate	66,793
Contingency	199,779
<b>Total Project Costs</b>	<b>\$2,969,978</b>
Prior Year Expenditures	(190,237)
<b>REMAINING PROJECT COSTS</b>	<b>\$2,779,741</b>

\*Project delivery for the sewer improvement includes \$185,506 for Design Services, \$586,896 for Inspection, Survey and Materials Testing Laboratory Services, Construction Management, and project closeout out. The design and inspection services for the roadway paving

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improvements will be provided by the Department of Transportation and their associated costs of \$66,793 are not included herein and will be paid from the resources in the City's VTA Measure B Sales Tax Fund.

2. COST ELEMENTS OF AGREEMENT/CONTRACT:

Base Bid

Mobilization, Permits, and Traffic Control	\$104,613
Pipeline Installation	1,668,691
Manhole Construction	157,700

Add Alternate

Roadway Improvement	66,793
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TOTAL AGREEMENT/CONTRACT AMOUNT	1,997,797
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3. SOURCE OF FUNDING: 545- Urgent Rehabilitation & Repairs Project and 465- Pavement Maintenance - VTA Measure B 2016

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 operating impacts.

**BUDGET REFERENCE**

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

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2019-2020 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
545	4271	Urgent Rehabilitation & Repairs Project	\$7,000,000	\$1,931,004	V-58	06/18/2019, 30286
465	403Q	Pavement Maintenance - VTA Measure B 2016	\$18,900,000	\$66,793	V-856	06/18/2019, 30286

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**CEQA**

Except, File No. PP17-031, CEQA Guidelines Section 15301, Existing Facilities, and 15302, Replacement or Reconstruction.

/s/

MATT CANO

Director of Public Works

For questions, please contact Michael O'Connell, Public Works Deputy Director, at (408) 535-8300.

Attachment: Location Map

**STATEMENT OF EXEMPTION**

<b>FILE NO.</b>	PP17-031
<b>LOCATION OF PROPERTY</b>	Citywide
<b>PROJECT DESCRIPTION</b>	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 is completely 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. This exemption is only valid for projects that are within the scope of work as described.

**Expiration date: April 20, 2022**

**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. 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 to 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 of 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) stated 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 results in damage to any historic resources. If one does, it is subject to 15300.2(f) and may not utilize this categorical exemption

HARRY FREITAS, Director  
Planning, Building and Code Enforcement

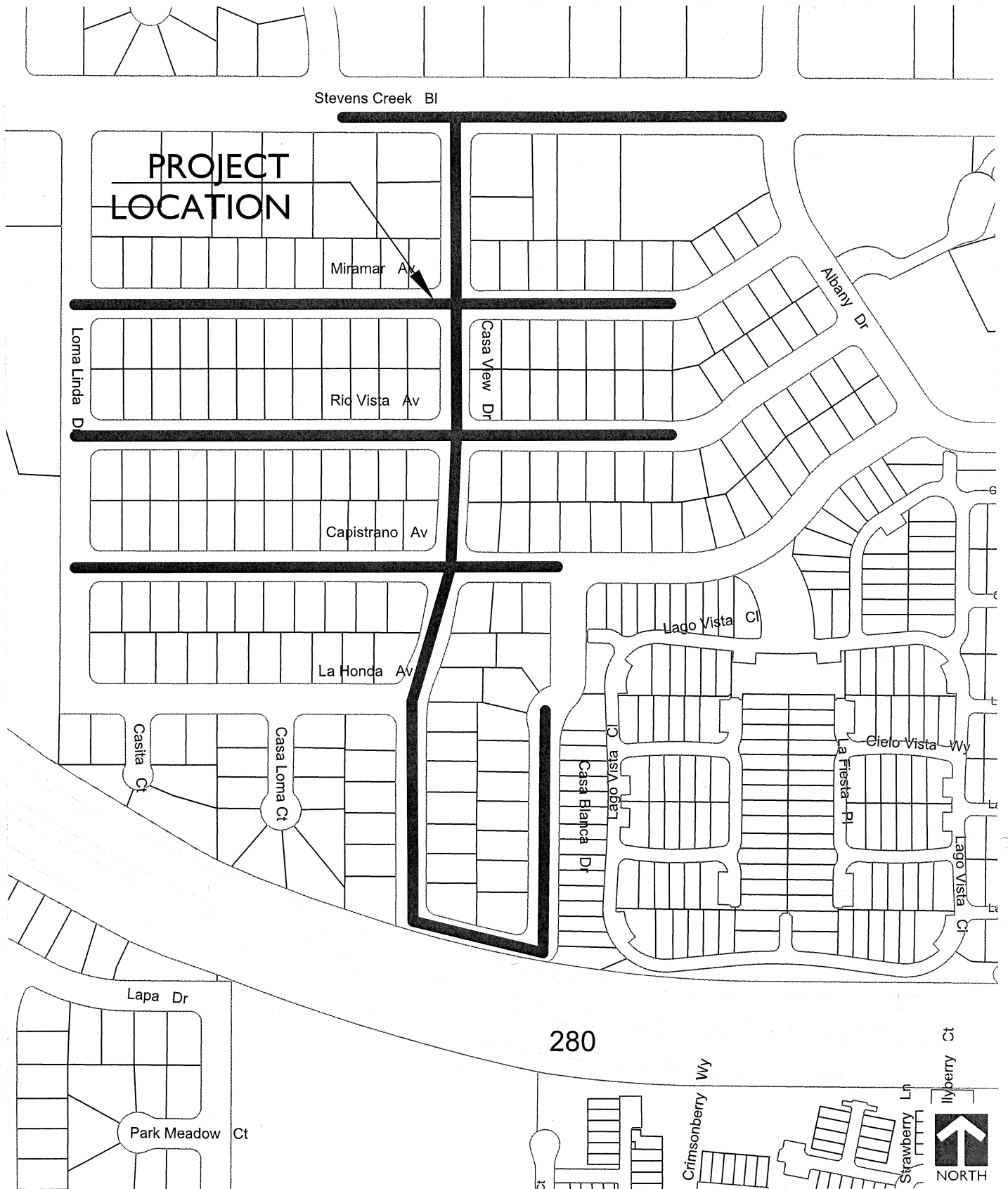
Date

4/25/17

  
Deputy

Environmental Manager: Thai-Chau Le

Expiration Date: April 20, 2022



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Utility Request Area Map

Not To Scale