TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER
DEPARTMENT: UTILITIES
DATE: MARCH 21, 2005

SUBJECT: REJECTION OF BIDS AND AUTHORIZATION TO RE-SOLICIT BIDS FOR WASTEWATER COLLECTION SYSTEM REHABILITATION AND AUGMENTATION CAPITAL IMPROVEMENT PROGRAM WC-03003 PROJECT 16

RECOMMENDATION

Staff recommends that Council reject all bids for construction of Sanitary Sewer Rehabilitation (advertised for bid as Project 16 Sanitary Sewer Rehabilitation), and authorize staff to re-solicit bids for this project.

BACKGROUND

The City’s Wastewater Operations reported various problems in the project area, including increased maintenance due to plugged lines and pipe access problems. These sewer main deficiencies (may include main breaks, missing sections of pipe, sags, and roots in the pipe) were confirmed by subsequent video inspection. The replacement/rehabilitation specified in Capital Improvement Program Project WC-03003 will provide a new and structurally sound sanitary sewer piping system with improved carrying capacity and reduce current and future maintenance problems.

DISCUSSION

Bid Process
A notice inviting formal bids for Sanitary Sewer Rehabilitation was issued on November 18, 2004, and sent to 10 builders’ exchanges and 21 contractors. The bidding period was 27 days and bids were received from five contractors on December 14, 2004. See Attachment A for a summary of all bids received on the project. Bids ranged from a low of $2,608,000 to a high of $3,752,168.
Staff recommends that the Council reject the bids due to the scope and bid requirement changes as described below. Staff identified the need to include more high priority work to replace additional 430 lineal feet of sewer mains and 50 laterals as part of this project at the end of the project bidding period. The estimated additional cost is approximately $100K and is within the original budgeted amount. Re-bidding the project will allow the project scope to be increased; a more detailed and comprehensive set of plans to be prepared; and the City’s requirements for a contractor’s specific experience in performing large diameter pipe-bursting operations to be included in the new project scope and specifications. Rebidding a larger, more comprehensive project will reduce the City’s project administration costs for the work. Staff plans to return to Council for a recommendation to award the redefined project in April 2005.

Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>Project 16 Sanitary Sewer Rehabilitation / IFB 109885</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>300 calendar days</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>21</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>10</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>27</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>Yes</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
<td>2</td>
</tr>
<tr>
<td>Number of Bids Received:</td>
<td>5</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $2,608,000 to a high of $3,752,168</td>
</tr>
</tbody>
</table>

RESOURCE IMPACT
This recommendation has no fiscal impact. $3.4 million has been budgeted for this project.

POLICY IMPLICATIONS
This recommendation is consistent with the Council approved Utilities Strategic Plan Key Strategy #2, “invest in utility infrastructure to deliver reliable service.”

ENVIRONMENTAL REVIEW
This project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Sections 15301 (b) repair, maintenance of existing facilities and 15302 (c) replacement or reconstruction of existing facilities.

ATTACHMENTS
A: Bid Summary

PREPARED BY: Silvia Santos, Project Engineer
             Edward Wu, Senior Project Engineer
             Roger Cwiak, Engineering Manager
             Scott Bradshaw, Assistant Director
DEPARTMENT HEAD:

JOHN ULRICH
Director of Utilities

CITY MANAGER APPROVAL:

EMILY HARRISON
Assistant City Manager