TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS

DATE: APRIL 22, 2002 CMR:216:02

SUBJECT: AWARD OF CONTRACT IN THE AMOUNT OF $149,432 TO SPOSETO ENGINEERING, INC. FOR STORM DRAIN REPAIR (CAPITAL IMPROVEMENT PROGRAM PROJECT 47711)

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the Mayor to execute the attached contract with Sposeto Engineering, Inc. in the amount of $149,432 for Storm Drain Repair (Capital Improvement Project 47711)

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Sposeto Engineering, Inc. for related, additional but unforeseen work that may develop during the project, the total value of which shall not exceed $15,000.

DISCUSSION
Project Description
The work to be performed under the contract includes the installation of new valley gutters and catch basins and the replacement of existing curb, gutter, and pavement to correct high-priority drainage problems on various streets throughout the City.

Bid Process
A notice inviting formal bids for Storm Drain Repair (Capital Improvement Program Project 47711) was sent on March 6, 2002 to 13 builders' exchanges and 22 contractors. No pre-bid meeting was held for this project.

The advertised bidding period was 27 calendar days. Bids were received from two contractors on April 2, 2002, as listed on the attached bid summary (Attachment B). Bids ranged from a high of $153,846 to a low bid of $149,432. Staff has reviewed all bids submitted and recommends that the bid of $149,432 submitted by Sposeto Engineering, Inc. be accepted and that Sposeto Engineering, Inc. be declared the lowest responsible bidder.
The bid is 25 percent below the engineer's estimate of $199,712. The change order amount
of $15,000, which equals 10 percent of the total contract amount, is requested to cover related, additional but unforeseen work that may develop during the project.

Staff checked references supplied by the contractor for previous work performed and received positive feedback regarding the contractor’s past performance. Staff also checked with the Contractor's State License Board and found that the contractor has an active license on file and is in good standing with the Board.

**RESOURCE IMPACT**
Funds for this project are available in the Storm Drainage Fund collection system improvements major activity budget.

**POLICY IMPLICATIONS**
This contract is consistent with existing City policies.

**ENVIRONMENTAL REVIEW**
The project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA).

**ATTACHMENTS**
Attachment A:  Contract  
Attachment B:  Bid Summary

PREPARED BY:____________________________________________________  
MATT RASCHKE  
Engineer

DEPARTMENT HEAD:______________________________________________  
GLENN S. ROBERTS  
Director of Public Works

CITY MANAGER APPROVAL:_______________________________________  
EMILY HARRISON  
Assistant City Manager