



COUNCIL AGENDA: 04-04-06  
ITEM: 2.3

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Katy Allen

**SUBJECT:** FOREST-ROSA SANITARY  
SEWER REHABILITATION –  
PHASE V PROJECT

**DATE:** 03-15-06

Approved

*Deanna Johnson*

Date

*3/28/06*

Council District: 6

## RECOMMENDATION

Report on bids and award of contract for the Forest-Rosa Sanitary Sewer Rehabilitation Phase V Project to the low bidder, Insituform Technology, Inc., in the amount of \$1,087,115, and approval of a contingency in the amount of \$109,000.  
CEQA: Exempt, File No. PP05-018.

## BACKGROUND

The Forest-Rosa Sanitary Sewer trunk serves a portion of West San José and transmits additional flow accumulated in the West Valley Sanitation District (WVSD). The City and WVSD share the costs associated with maintaining this trunk sewer through a master agreement.

The Forest-Rosa Phase V project will rehabilitate approximately 5,300 linear feet of 30-inch diameter pipe on Hedding Street between North Bascom Avenue and Myrtle Street (map attached). This is the final phase of the rehabilitation of the sewer mains for the Forest-Rosa system.

The project is scheduled to begin construction in June with completion in October.

## ANALYSIS

Bids for this project were opened on March 2, 2006 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Spiniello Companies (Santa Fe Springs, CA)	\$1,174,160.00	\$50,375	4
<b>Engineer's Estimate</b>	<b>\$1,123,785.00</b>	-	-
Insituform Technologies, Inc. (Chesterfield, MO)	\$1,087,115.00	(36,670)	(3)

The low bid submitted by Insituform Technology, Inc., is three percent below the Engineer's Estimate. Staff considers this reasonable for the work involved.

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

### OUTCOME

The rehabilitation of the 30-inch diameter sanitary sewer will restore the structural integrity and extend the service life of the sewers. The completed project will provide better sewer service to the businesses and residents, and reduce maintenance costs. This project will also complete the rehabilitation of the entire Forest-Rosa system.

### PUBLIC OUTREACH

The project was coordinated with the West Valley Sanitation District. The project was also listed on the City's Internet Bid Line and was advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

### COORDINATION

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

### COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$1,087,115.

2. COST OF PROJECT:

Project Delivery	\$250,000*
Construction	1,087,115
Contingency	<u>109,000</u>
<b>TOTAL PROJECT COSTS</b>	<b>\$1,446,115</b>
Prior Year Expenditure	(70,414)
<b>REMAINING PROJECT COSTS</b>	<b>\$1,375,701</b>

- Project delivery includes \$127,638 for design services and \$122,362 for construction management and inspection services.

3. SOURCE OF FUNDING: 545 - Sewer Service and Use Charge Capital Improvement Fund

4. FISCAL IMPACT: This project is consistent with the Council-Approval Budget Strategy Economic Recovery Section in that it will spur construction spending in our local economy. The proposed operating and maintenance costs of the project will have no significant adverse impact on the General Fund operating budget.

**BUDGET REFERENCE**

Fund #	Appn. #	RC #	Appn. Name	Total Appn.	Amt. For Contract	2005-2006 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
<b>Remaining Project Costs</b>				<b>\$1,375,701</b>			
<b>Current Funding Available</b>							
545	5670	134015	Forest-Rosa Sewer	\$2,162,000	<b>\$1,087,115</b>	Capital V-170	10/18/05, Ord No. 27580
<b>Total Current Funding Available</b>				<b>\$2,162,000</b>	<b>\$1,087,115</b>		

**CEQA**

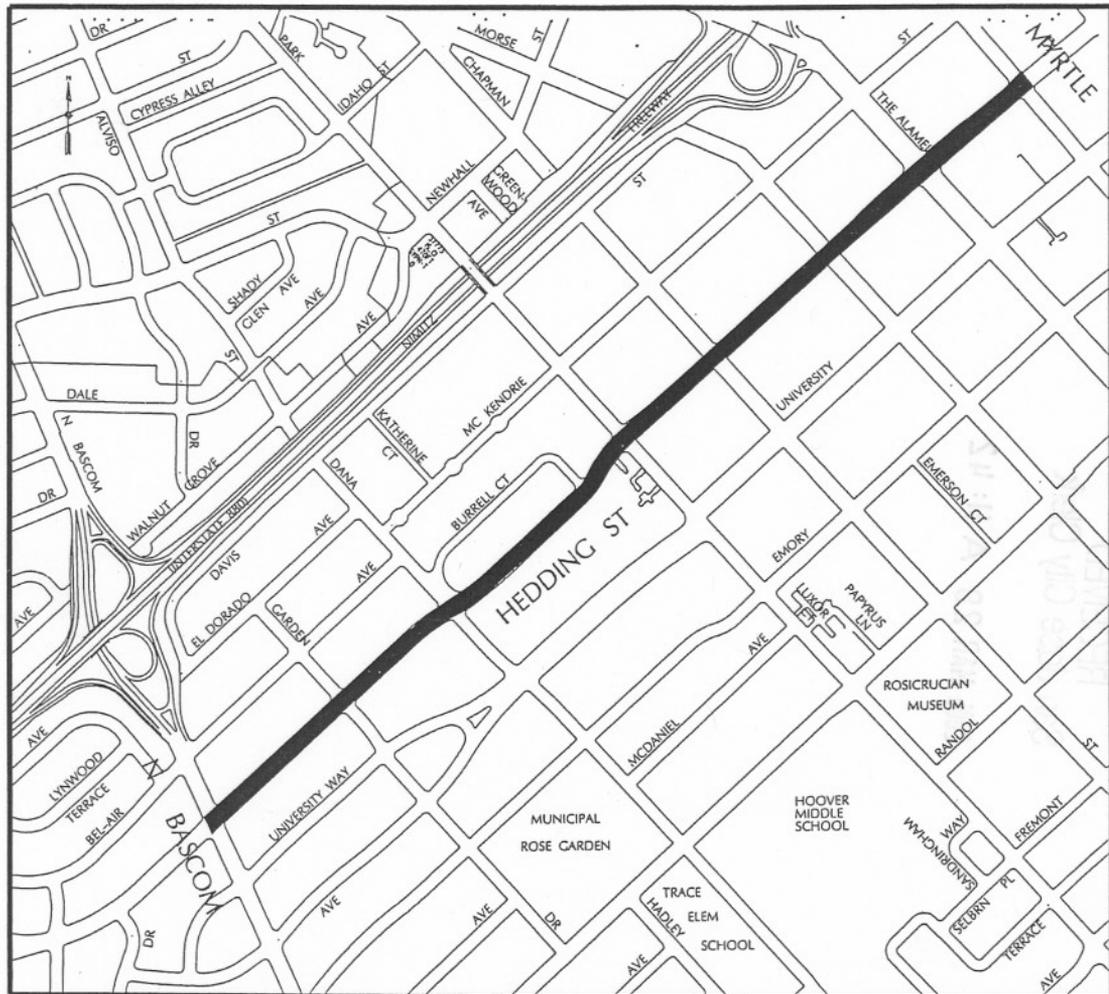
Exempt, File No. PP05-018.

*Katy Allen*

KATY ALLEN

Director, Public Works Department

# FOREST-ROSA SANITARY SEWER REHAB PH. V



LOCATION MAP  
N.T.S.