



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen

SUBJECT: ALBANY-KIELY STORM DRAIN
IMPROVEMENT PHASE III-IV

DATE: 03-17-08

Approved

Date

3/20/08

COUNCIL DISTRICT: 1

RECOMMENDATION

Report on bids and award of contract for the Albany-Kiely Storm Drain Improvement Phase III-IV Project to the low bidder, Mountain Cascade, Inc., in the amount of \$1,265,625, and approval of a contingency in the amount of \$126,000.

OUTCOME

The proposed improvement will resolve storm drainage capacity deficiencies along Stevens Creek Boulevard between Albany Drive and Kiely Boulevard. Upon completion of the project, the neighborhood will have storm drainage protection from a 10-year-return storm.

BACKGROUND

The Albany-Kiely Storm Drain Improvement Phase III-IV project is located in a medium low density combined commercial and residential area along Albany Drive from Stevens Creek Boulevard to Auburn Way (map attached).

A storm drainage basin study completed prior to 1980 identified the need to construct storm drainage improvements in the Albany-Kiely drainage shed. Prior to design, these existing master plan recommendations were reviewed and updated with additional information to properly scope desired improvements with the current infrastructure needs of the drainage shed. Upon completion of the project, the neighborhood will have storm drainage protection from a 10-year-return storm.

This project supports continued economic growth and development along the Stevens Creek Boulevard retail corridor by enhancing the storm collection system, eliminating localized ponding and ensuring local business's access is not impacted during large storm events.

The new storm drainage facilities will connect to the existing storm drainage system constructed in 2005 as Phase II of this project.

The project scope of work includes the installation of approximately 2,000 linear feet of reinforced concrete pipe (RCP) ranging in size from 12-inch to 60-inch diameter, and associated storm drain inlets, laterals, and manholes. Project construction is scheduled to begin in May 2008 with beneficial use planned for September 2008.

ANALYSIS

Bids were opened on February 7, 2008 with the following results:

Contractor	Bid Amount	Variance Over/(Under) Engineer's Est.	Percent Over/(Under) Engineer's Est.
McGuire and Hester (Oakland)	\$1,761,110	\$664,754	60%
Fermin Sierra Construction (Union City)	\$1,751,140	\$654,784	59%
Preston Pipelines, Inc. (Milpitas)	\$1,701,358	\$605,002	55%
Pacific Underground Construction (San Jose)	\$1,553,422	\$457,066	41%
Ranger Pipelines Inc. (San Francisco)	\$1,545,419	\$449,063	40%
KJ Woods Construction (San Francisco)	\$1,448,000	\$351,644	32%
H S R, Inc. (Santa Clara)	\$1,423,610	\$327,254	29%
Sanco Pipelines, Inc. (Campbell)	\$1,405,092	\$308,736	28%
Mitchell Engineering (San Francisco)	\$1,365,192	\$268,836	24%
Mountain Cascade Inc. (Livermore)	\$1,265,625	\$169,269	15%
Engineer's Estimate	\$1,096,356	-----	-----

The low bid submitted by Mountain Cascade, Inc. is 15 percent above the Engineer's Estimate. An evaluation of the bid indicates higher unit costs for the following items: 1) Mobilization, 2) Bedding Stabilization Material, and 3) 12-inch, 42-inch, and 54-inch reinforced concrete pipes (RCP). The price difference for the RCP is attributable to the increase in concrete manufacturing cost and fuel/transportation cost since the Engineer's Estimate was first prepared. Staff considers the bid submitted by Mountain Cascade, Inc. to be reasonable.

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

EVALUATION AND FOLLOW-UP

Approval of the recommendation identified in this memorandum will enable the project to move forward with the construction phase as scheduled. No follow up action to Council is anticipated at this time.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum meets Criterion 1 and will be posted on the City's Intranet website for the April 8, 2008 Council meeting. To solicit contractors, this project was listed on the City's Internet Bid Line and 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 City Attorney's Office, City Manager's Budget Office and the Departments of Planning, Building and Code Enforcement, Transportation and Finance.

COST SUMMARY/IMPLICATIONS

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$1,265,625	
	Project Delivery	\$ 242,978*
	Construction	1,265,625
	Contingency	126,000
	TOTAL PROJECT COSTS	\$1,634,603
	Prior Year Expenditures	(64,259)
	REMAINING PROJECT COSTS	\$1,570,344

* Project delivery includes \$117,000 for Design Services and \$125,978 for Construction Management and Inspection services.

2. COST ELEMENTS OF CONSTRUCTION CONTRACT:
 Lump Sum Contract: \$1,265,625

3. SOURCE OF FUNDING: 413 – Storm Drainage Fee Fund
 469 - Storm Sewer Capital Fund

4. OPERATING COSTS: The proposed operating and maintenance costs of this project have been reviewed; the project will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	2007-2008 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$1,570,344			
Current Funding Available							
413	4693	Albany-Kiely Storm Drainage Improvement Phase III-IV	142915	\$22,000	\$0	Capital V-111	10/16/07, Ord. No. 28143
469	4693	Albany-Kiely Storm Drainage Improvement Phase III-IV	142915	\$1,320,000	\$1,165,625	Capital V-111	N/A
469	4483	Minor Neighborhood Storm Drain Improvements	151165	\$412,000	\$100,000	Capital V-114	10/16/07, Ord. No. 28143
Total Current Funding Available				\$1,754,000	\$1,265,625		

CEQA

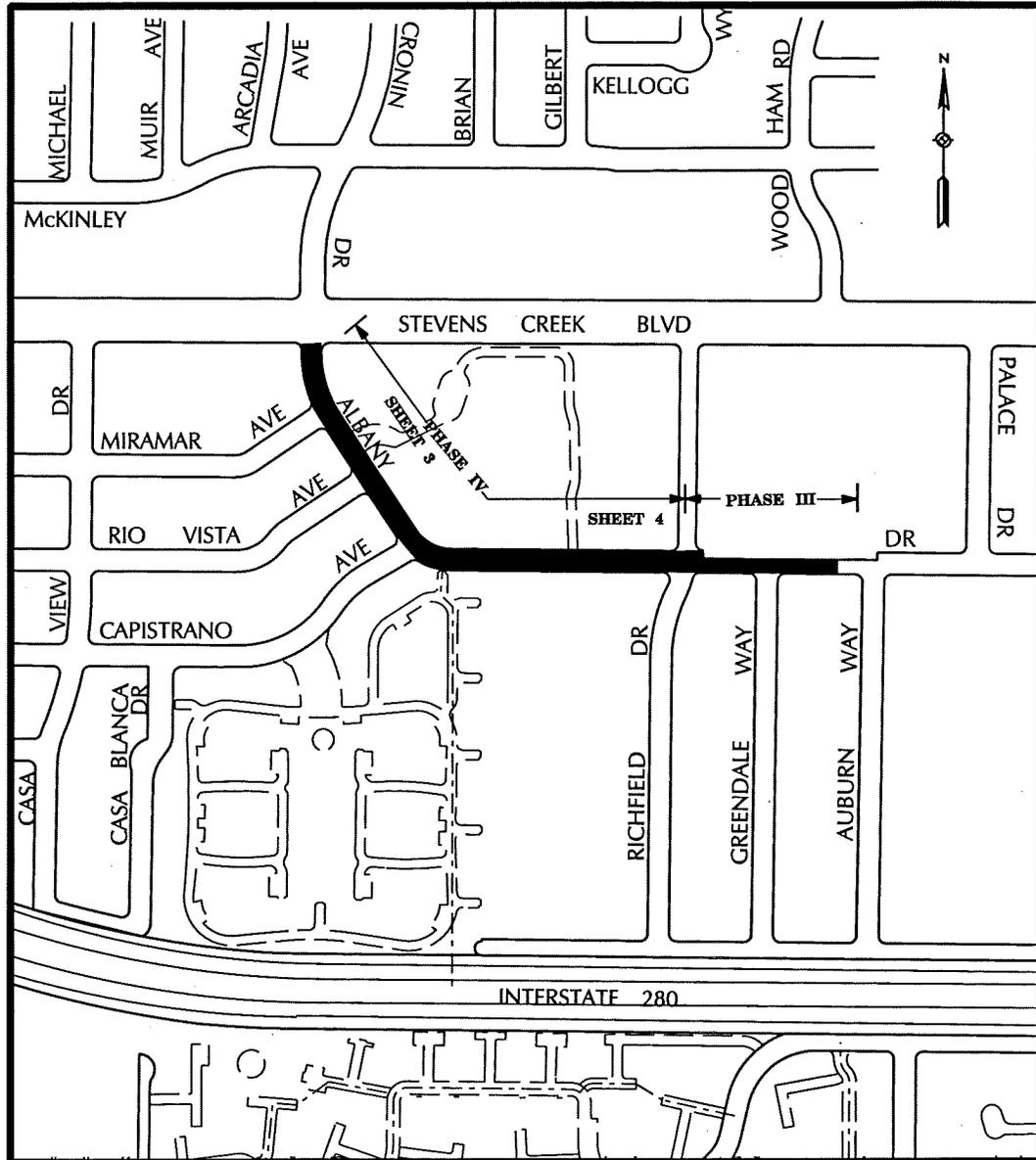
CEQA: Exempt, PP07-177.

Katy Allen

KATY ALLEN
 Director, Public Works Department

For questions please contact TIMM BORDEN, DEPUTY DIRECTOR, at 535-8300.

ALBANY-KIELY STORM DRAINAGE IMPROVEMENT PHASE III & IV



LOCATION MAP
NOT TO SCALE