



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 04-21-04

Approved

Date

Council District: 1

**SUBJECT: SAN TOMAS EXPRESSWAY TRUNK SANITARY SEWER
REHABILITATION PHASE II PROJECT**

RECOMMENDATION

Report on bids and award of contract for the San Tomas Expressway Trunk Sanitary Sewer Rehabilitation Phase II Project to the low bidder, Insituform Technologies, Inc., in the amount of \$2,678,493 and approval of a contingency in the amount of \$268,000.
CEQA: Exempt, PP02-10-277.

BACKGROUND

The San Tomas Expressway Trunk Sanitary Sewer serves portions 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 reinforced concrete pipe (RCP) trunk sewer through a master agreement.

A condition assessment study and remote video inspection identified medium to severe corrosion in the trunk sewer. The study recommended rehabilitation of the sewer to restore the structural integrity and extend the service life of the sewer. The rehabilitation has been planned in two phases. Phase I of the project, which rehabilitated approximately 4,900 feet of 42-inch and 48-inch RCP sanitary sewer on Moorpark Avenue from Coakley Drive to Cypress Avenue and on Cypress Avenue from Moorpark to Forest Avenues, was completed in 2002.

The proposed Phase II project is located on Coakley Drive and Vicar Lane, between Moorpark Avenue and Williams Road, and on San Tomas Expressway between Williams Road and Campbell Avenue (map attached). The project will rehabilitate approximately 11,000 feet of existing RCP sewer with a Cured-in-Place Pipe (CIPP) liner. This trenchless rehabilitation method will minimize the reduction in diameter and maintain adequate capacity in the sewer system.

The project requires encroachment permits from the County of Santa Clara, the City of Campbell, and the Santa Clara Valley Water District (SCVWD). The SCVWD and the County permits have already been obtained. The City of Campbell has been consulted, and staff anticipates that they will issue their encroachment permit to the contractor upon submittal of the selected contractor's traffic control plan. The Campbell Union School District has also been consulted and has reviewed and commented on the plans. Staff has incorporated all of the District's comments into the project.

Construction is scheduled to begin in July with completion in December 2004.

ANALYSIS

Bids were opened on April 1, 2004, with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/ (Under) Percent</u>
Spiniello Companies (Fairfield, NJ)	\$3,624,120.00	\$1,199,110.00	49
Gelco Services, Inc. (Salem, OR)	2,719,364.50	294,354.50	12
Insituform Technologies, Inc. (Benecia, CA)	2,678,493.00	253,483.00	10
Engineer's Estimate	2,425,010.00	--	--

The low bid submitted by Insituform Technologies, Inc. is ten percent over the Engineer's Estimate. Staff considers this reasonable for the work involved. The analysis of the bid amounts for items involving the diversion and pumping of sewage flows indicates that the Engineer's Estimate for these activities, including horizontal directional drilling, were low.

Council Policy provides for a standard contingency of 10 percent on public works projects involving underground utilities. The standard contingency is appropriate for this project.

PUBLIC OUTREACH

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 memo have been coordinated with the Departments of Transportation, Finance, Planning, Building and Code Enforcement, City Attorney's Office, and the City Manager's Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$2,678,493

2. COST OF PROJECT:

Project Delivery	\$830,830*
Construction	2,678,493
Contingency	<u>268,000</u>
TOTAL	<u>\$3,777,323</u>

*\$293,888 of the Project Delivery costs was expended in prior fiscal years.

3. SOURCE OF FUNDING: 540 – Sanitary Sewer Connection Fee Fund

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The proposed operating and maintenance costs of this project have been reviewed and it has been determined that 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	2003-2004 Adopted Capital Budget Page	Last Budget Action (Date, Ord.No.)
540	6595	San Tomas Expressway Trunk	108143	3,460,000	2,678,493	152	10/14/03, Ord. No. 26997

CEQA

Exempt, PP02-10-277.

KATY ALLEN
Director, Public Works Department