



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Carl W. Mosher

SUBJECT: SEE BELOW

DATE: 06-1-04

Approved

Date

SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE SAN JOSE/SANTA CLARA WATER POLLUTION CONTROL PLANT, FY 2003/2004 CAPITAL IMPROVEMENT PROGRAM, FILTER INFLUENT PUMPS 1-4 CONTROLLER REPLACEMENT PROJECT

RECOMMENDATION

Report on bids and award of contract for the construction project entitled "San Jose/Santa Clara Water Pollution Control Plant, FY 2003/2004 Capital Improvement Program, Filter Influent Pumps 1-4 Controller Replacement Project," to the low bidder, Blocka Construction Incorporated, in the amount of \$838,900, and approval of a contingency in the amount of \$84,000, for a total not to exceed amount of \$922,900.

BACKGROUND

The controllers used to actuate these four pumps at the filtration stage of the Plant's treatment process are the variable frequency type drives. This project will replace the current controllers with more technologically advanced, and energy-efficient, variable frequency drives. This type of drive allows the pumps to operate at varying speeds to match the energy demand with the instantaneous volume of wastewater flow. This allows for significant energy savings over pumps operating without this type of controller. The current sets of controllers have been in service for over twelve years and have exceeded their useful years of service. The continuous and efficient operation of these pumps is critical to ensure quality effluent.

ANALYSIS

Bids were opened on May 6, 2004 for the project. The results of the bids are as follows:

<u>Contractor</u>	<u>City</u>	<u>Total Bid</u>	<u>Variance Over / (Under)</u>	
			<u>Amount</u>	<u>Engineer's Estimate Percent</u>
Engineer's Estimate		\$1,060,000		
Cupertino Electric, Inc.	San Jose	\$966,000	-\$94,000	(-8.9%)
Rosendin Electric, Inc.	San Jose	\$945,900	-\$114,100	(-10.8%)
D.W. Nicholson Corporation	Hayward	\$863,365	-\$196,635	(-18.6%)
Blocka Construction, Inc.	Fremont	\$838,900	-\$221,100	(-20.9%)

The low bid submitted by Blocka Construction of \$838,900 is recommended for approval. This bid is 20.9 percent below the engineer's estimate. The low bid reflects the current competitive bidding climate in the area and shows the desire of Blocka Construction to work for the City.

The bid documents have been evaluated and found to be in order. Blocka Construction received commendable references from their previous clients for similar types of projects.

A contingency of 10% (ten percent) is requested for any unforeseen conditions that may arise during construction. The funds budgeted for this project is sufficient to provide for the recommended contingency.

PUBLIC OUTREACH

This construction project was listed on City's Internet Bid Line and was advertised in the *San San José Post Record*. The bid packages for all of the Environmental Services Department's construction projects are routinely provided to a standard list of contractor organizations, builder's exchanges, and disadvantaged business organizations.

COORDINATION

This project and memorandum have been coordinated with the Department of Planning, Building and Code Enforcement, the Department of Public Works, Office of Equality Assurance, the

Department of Finance, Risk Management, the City Attorney’s Office and the City Manager’s Budget Office and is scheduled to be heard at the June 10, 2004 Treatment Plant Advisory Committee (TPAC) meeting.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$922,900

2. COST OF PROJECT:

Construction	\$838,900
Contingency	\$84,000
TOTAL	<u>\$922,900</u>

3. SOURCE OF FUNDING: 512 – San Jose/Santa Clara Treatment Plant Capital Fund

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it meets the expressed principles by focusing on the protection of a vital core city service, emphasizes expenditures that reduce costs, and accelerates a capital improvement project that provides positive externalities.

The contract amount for this project is \$838,900; and the recommended contingency for potential change orders related to unforeseen conditions is \$84,000. Existing funds are available for the contract and contingency. No additional appropriation action is required.

The Plant represents an asset of nearly a billion dollars. The electrical system in the Filter Influent Pump Station is a vital element of this facility, and as this system is already beyond the end of its useful life, it is imperative that its rehabilitation be as effective and efficient as possible to ensure the vital treatment of wastewater. The project is expected to start in August 2004 and be completed in August 2006.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2003-2004 Adopted Capital Budget	Last Budget Action (Date, Ord. No.)
512	4688	Filter Influent Pumps 1-4 Controller Replacement	130324	\$1,000,000	\$922,900	Page 199	N/A

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NONDISCRIMINATION

The City of San Jose Non-discrimination Requirements are included in this project as required in Chapter 4.08 of the San Jose Municipal Code.

CEQA

Exempt, PP04-03-079

CARL W. MOSHER
Director, Environmental Services Department