



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Stufflebean

SUBJECT: NORTH FIRST STREET
EMERGENCY MAIN
REPLACEMENT

DATE: 08-06-07

Approved

Deanna Antea

Date

8/9/07

COUNCIL DISTRICT: 4

REASON FOR ADDENDUM

Urgent replacement of a 1,000 foot section of broken water main is needed to restore two of the three northbound lanes of North First Street to traffic that were severely undermined when the water main failed, and restore reliable water service to fire hydrants on the east side of North First Street.

RECOMMENDATION

Report on bids and award of contract for the North First Street Emergency Main Replacement to the low bidder, Stoloski & Gonzalez, Inc, in the amount of \$188,750 and approval of a contingency of \$38,000.

OUTCOME

Approval of this construction contract will allow the North First Street Emergency Main Replacement Project to be built and the roadway restored. Approval of a \$38,000 contingency will provide funding for unforeseen conditions during the construction of this project.

BACKGROUND

On July 2, 2007, the water main that runs along North First Street south of Highway 237 failed. Approximately 1,000 feet of this transmission main between Lamplighter Way and Rose Orchard Way had to be shut down. Additionally, the water main break caused severe damage to two of North First Street's three northbound traffic lanes resulting in these two lanes being taken out of service. Muni Water's emergency repairs contractor repaired the initial break, but when attempting to put the water main back into service discovered further damaged sections. Several attempts were made to complete repairs, however, each attempt led to the discovery of additional damaged sections. After approximately two weeks of work, Muni Water engineers determined the 1,000-foot section of water main was unrepairable and would need to be replaced.

Although the City has an emergency repair contract with San Jose Water Company (SJWC) in the amount of \$547,000, for repair work, SJWC determined that the work necessary to replace the damaged sections was beyond the scope of the existing repairs contract.

In response, Muni Water staff expedited preparation of plans and specifications for the replacement of the water main and associated roadway repairs. The project was advertised for 10 days, which is the minimum required.

ANALYSIS

Bids were received on August 6, 2007, with the following results:

<u>Contractor</u>	<u>City</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Sanco Pipelines	Campbell	\$402,450	\$202,450	101%
Precision Engineering Pacific Underground Construction	San Francisco San José	\$390,050 \$290,750	\$190,050 \$90,750	95% 45%
Ranger Pipelines West Valley Construction	San Francisco Campbell	\$267,000 \$249,450	\$67,000 \$49,450	34% 25%
Preston Pipelines	Milpitas	\$248,020	\$48,020	24%
Engineer's Estimate		\$200,000		
Stoloski & Gonzalez	Half Moon Bay	\$188,750	(\$11,250)	(6%)

The low bid from Stoloski & Gonzalez, Inc. was 6% percent below the Engineer's estimate. The bids were evaluated and found to be in order. Staff has concluded that the bid is reasonable and acceptable.

The extent of damage to roadway's underlying roadbed has not yet been determined. Once pipeline replacement has been completed, the contractor will remove the damaged sections of pavement, repair the roadbed and repave as necessary. A contingency of \$38,000 is requested to provide sufficient funding to cover repair of any unforeseen damage to the roadbed.

EVALUATION AND FOLLOW-UP

The project is included in a larger North First Street Parallel Main Replacement Phase III project currently scheduled to complete in June 2011. That project's scope and budget will be adjusted during the next budget cycle to reflect this work. No additional follow up action with the Council is expected at this time.

POLICY ALTERNATIVES

Alternative #1: Not award contract.

Pros: Cost savings

Cons: Would prevent repair work from being performed.

Reason for not recommending: Water main serves fire protection and must be put back in service as soon as possible, and expedited repair to the roadway is necessary to preserve access to property and eliminate a potential public safety hazard.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater; **(Required: Website Posting)**
- Criteria 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)**
- Criteria 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)**

To solicit contractors this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*.

COORDINATION

This project has been coordinated with the Planning Department, Department of Transportation, Risk Manager's Office, Office of Equality Assurance, City Manager's Budget Office, and the City Attorney's Office.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:	
Project Delivery	\$25,000
Construction	\$188,750
Contingency	<u>\$38,000</u>
Total Project Costs	\$251,750

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2. COST ELEMENTS OF AGREEMENT/CONTRACT:
- | | | | |
|---|----|----|--------------|
| Install 12-inch Diameter DIP water Main | LS | | \$185,000 |
| Remove Obstructions (Revocable) | LF | 50 | <u>3,750</u> |
| | | | \$188,750 |
3. SOURCE OF FUNDING: Water Utility Capital Fund 500

BUDGET REFERENCE

The table below identifies the fund and appropriations proposed to fund the contract(s) recommended as part of this memo and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	Proposed Budget (Page)	Last Budget Action (Date, Ord. No.)
<u>Remaining Project Costs</u>				251,750	188,750		
<u>Current Funding Available</u>							
500	5366	Infrastructure Replacements	03080 3	520,000	188,750	V-178	
<u>Total Funding for Projects</u>				520,000	188,750		

CEQA

CEQA: Exempt; PP07-150.


 JOHN STUFFLEBEAN
 Director, Environmental Services

For questions please contact Bob Wilson, Acting Division Manager, at (408) 277-3671.