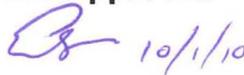




Subject: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE SAN JOSÉ/SANTA CLARA WATER POLLUTION CONTROL PLANT, HANDRAIL REPLACEMENT – PHASE III PROJECT

Council Agenda: 10-19-10
Item: 2.11

City Council Action Request

Departments: Environmental Services, Public Works	CEQA: Exempt, PP10-126	Coordination: Office of Risk Management, Equality Assurance, City Manager's Budget Office, City Attorney's Office, and the Treatment Plant Advisory Committee	CMO Approval: 
			Dept. Approval: Katy Allen /s/ John Stufflebean /s/

RECOMMENDED ACTION:

- 1) Award the construction contract for the Handrail Phase 3 Project at the San Jose/Santa Clara Water Pollution Control Plant to the low bidder, Bugler Construction, Inc., in the amount of \$289,000.
- 2) Approve a 15% contingency in the amount of \$43,350

BASIS FOR RECOMMENDATION:

This project will enhance safety around the nitrification tanks and blower generation building staircases at the Plant by replacing existing aging, corroded, and non-compliant steel handrails with aluminum handrails. The nitrification tanks were constructed in the mid-seventies and the steel handrails around the structures have corroded and deteriorated. As part of this project, approximately 3,250 lineal feet of the existing two-rail steel handrail system will be replaced with a three-rail aluminum handrail system to meet the latest OSHA code requirement. In addition, 225 lineal feet of non-compliant stairwell handrails in the Blower Generator building will be replaced with code-compliant handrails.

The project was advertised for bid and a total of nine bids were received and opened on August 19, 2010. The low bid submitted by Bugler Construction, Inc. is 25 percent below the Engineer's Estimate of \$385,000. The bid is considered acceptable for the work involved in the project. The lower than estimated bid can be attributed to a competitive bidding environment. Council Policy provides for a standard contingency of 15 percent on Public Works renovation projects. The standard contingency is appropriate for this project.

COST AND FUNDING SOURCE:

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$289,000
2. COST OF PROJECT:

Project Delivery	\$101,150
Construction	289,000
Contingency	43,350
TOTAL PROJECT COSTS	\$433,500
Prior Year Expenditures	(68,109)
REMAINING PROJECT COSTS	\$365,391
3. SOURCE OF FUNDING: 512 – San Jose-Santa Clara Treatment Plant Capital Fund. Plant Infrastructure Improvements appropriation
4. FISCAL IMPACT: Existing funds are available for this project. No additional appropriation action is required..

FOR QUESTIONS CONTACT: For questions please contact Harry Freitas, Public Works, Deputy Director at (408) 535-8488 or Bhavani Yerrapotu, Division Manager, Environmental Services Department at (408) 945-5321.