



**Subject: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 6991 – BON BON DRIVE MAIN REPLACEMENT PROJECT**

**Council Agenda: 6 -12-12  
Item: 2.10**

**City Council Action Request**

<b>Departments:</b> Environmental Services	<b>CEQA:</b> Exempt, PP12-030	<b>Coordination:</b> Risk Mngt., Equality Assurance; CMO Budget; CAO; PBCE; and DOT	<b>CMO Approval:</b> 
			<b>Dept. Approval:</b> /s/ Kerrie Romanow

**RECOMMENDED ACTION:**

- 1) Award the construction contract for the Bon Bon Drive Main Replacement Project to the lowest bidder, Stoloski & Gonzalez, Inc., in the amount of \$447,375.
- 2) Approve a 15% contingency in the amount of \$67,000.

**BASIS FOR RECOMMENDATION:**

This project is part of the Municipal Water System's ongoing steel main replacement program. The existing steel pipe main which was constructed in the 1960's has a high frequency of water leaks. It is currently located in the park strip side of the street and has reached the end of its useful life. The new pipeline will be installed out of the park strip to protect the existing mature street trees located there.

The scope of work for this project includes installation of a new 8" diameter water main along Bon Bon Drive, Peppermint Drive and Taffy Drive and abandonment of an existing corroded steel pipeline. The project will also include the construction of approximately 2,015 feet of water main which will improve system reliability and provide a reliable source of water to 49 residences.

Bids were opened on April 26, 2012, and a total of six bidders submitted proposals. Stoloski & Gonzalez, Inc. from Half Moon Bay, CA, submitted the lowest bid in the amount of \$447,375, 1.7% below the engineer's estimate. The three lowest bidders were within 15% of each other indicating a highly competitive bidding environment. Staff reviewed the low bid submitted by Stoloski & Gonzalez, Inc. and found the proposal to be acceptable for this project.

A 15% contingency is expected to provide sufficient funding to cover any unanticipated tasks necessary for completion of this work, including, but not limited to, conflicting underground utilities and for additional mitigation efforts that are included in the scope. Construction is scheduled to begin in July 2012 with substantial completion in December 2012.

**COST AND FUNDING SOURCE:**

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$447,375
2.	COST OF PROJECT:	
	Construction	\$447,375
	Project Delivery	\$91,625
	Contingency	\$67,000
	<b>TOTAL PROJECT COSTS</b>	<b>\$606,000</b>
3.	SOURCE OF FUNDING: 2011-2012 Adopted Water Utility Capital Budget	
	Fund 500 – Water Utility Capital Fund Bon Bon Drive Main Replacement, Appn 7259	Appn Budget: \$995,000 Ord. No. 28928, 6/21/2011

4. FISCAL IMPACT: Existing funds available for this project; no additional appropriation required.

**FOR QUESTIONS CONTACT:** Jeffrey Provenzano, Acting Division Manager, Environmental Services at (408) 277-3288.