

REPORT

**To the Honorable Mayor and City Council
From the City Manager**

April 3, 2006

Subject

Award of Contract – 2005-2006 Watermain Replacement Project

Recommendation

Approve the Contract Documents and award the Contract for the 2005-2006 Watermain Replacement Project to the lowest responsible bidder, West Valley Construction Company, Inc. of Redwood City, California, for their low bid of \$1,255,035.00.

Background

Every year the City undertakes a watermain replacement program funded by the Capital Improvement Program Water Fund. This program is designed for systematically replacing water distribution system main lines, which have a history of service disruptions due to age, excessive maintenance requirements, insufficient fire protection, and/or capacity limitations. A priority list is reviewed and updated annually by the Community Development Services Department - Engineering & Construction and Public Works Services, to determine the priority areas to be included in the program each year. **This year's program includes the replacement of nearly 1.4 miles of watermain at various locations (see attachment for project map of the construction area).**

The four (4) bids received at the bid opening on Wednesday, March 22, 2006, are summarized below:

No.	Bidder	Bid Amount
1.	West Valley Construction Company, Inc. – Redwood City, CA	\$1,255,035.00
2.	Shaw Pipeline, Inc. – San Francisco, CA	\$1,579,450.00
3.	J. Flores Construction Co., Inc. – San Francisco, CA	\$1,592,260.00
4.	Pacific Underground Construction, Inc. – San Jose, CA	\$1,885,875.00

The bid of \$1,255,035.00 is 4.59% higher than the Engineer's Estimate of \$1.2 Million for the cost of construction. Based on the bids received, staff believes that the low bid is reasonable and responsive, and recommends awarding the contract to West Valley Construction Company, Inc.

West Valley Construction Company, Inc. has successfully completed similar projects in the past, and is a qualified contractor.

A complete copy of the agreement is available for review in the City Clerk's Office.

Alternative

Do not award the contract for the 2005-2006 Watermain Replacement Project, which would be contrary to prior Council action.

Fiscal Impacts

Funds in the amount of \$2,000,000.00 have been appropriated in the FY 2005-2006 Capital Improvements Program Budget under the Watermain Improvement Fund.



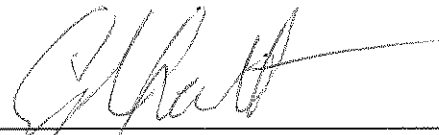
Phong Du, P.E.
Senior Civil Engineer



Chu Chang, P.E.
Manager, Engineering & Construction



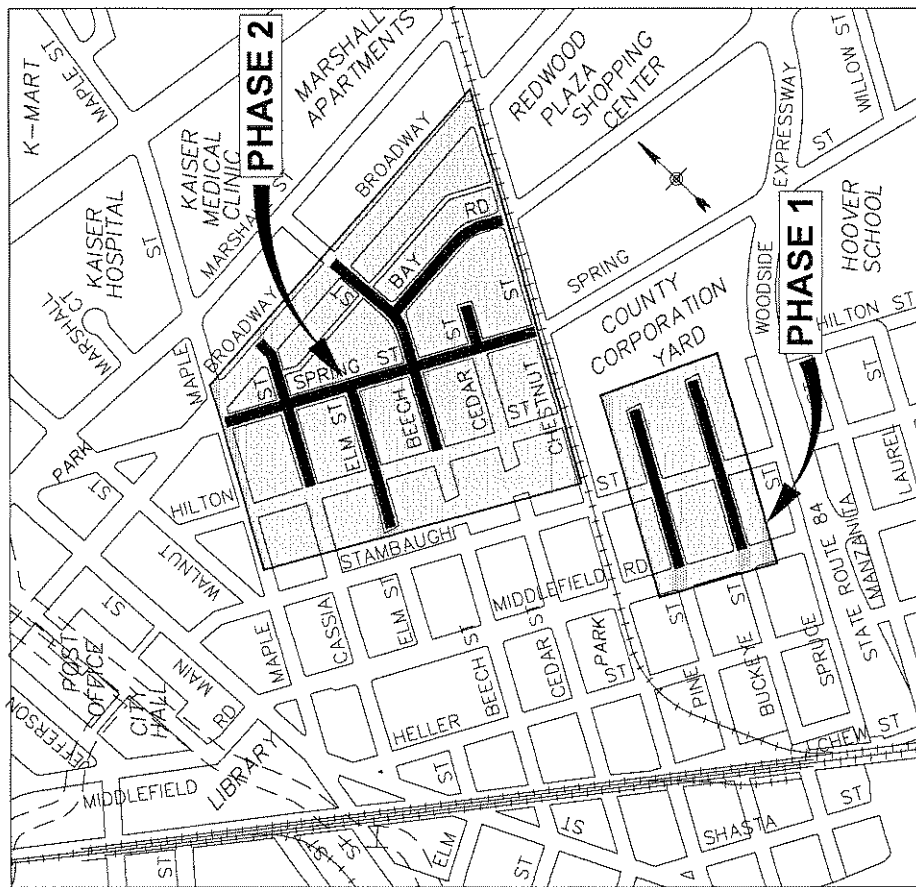
Joel Patterson
Community Development Services Director



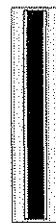
Ed Everett
City Manager

PD/JT:ss
s/library/reports/phong/Award_2005-2006 WM Replacement

2005-2006 WATER MAINS

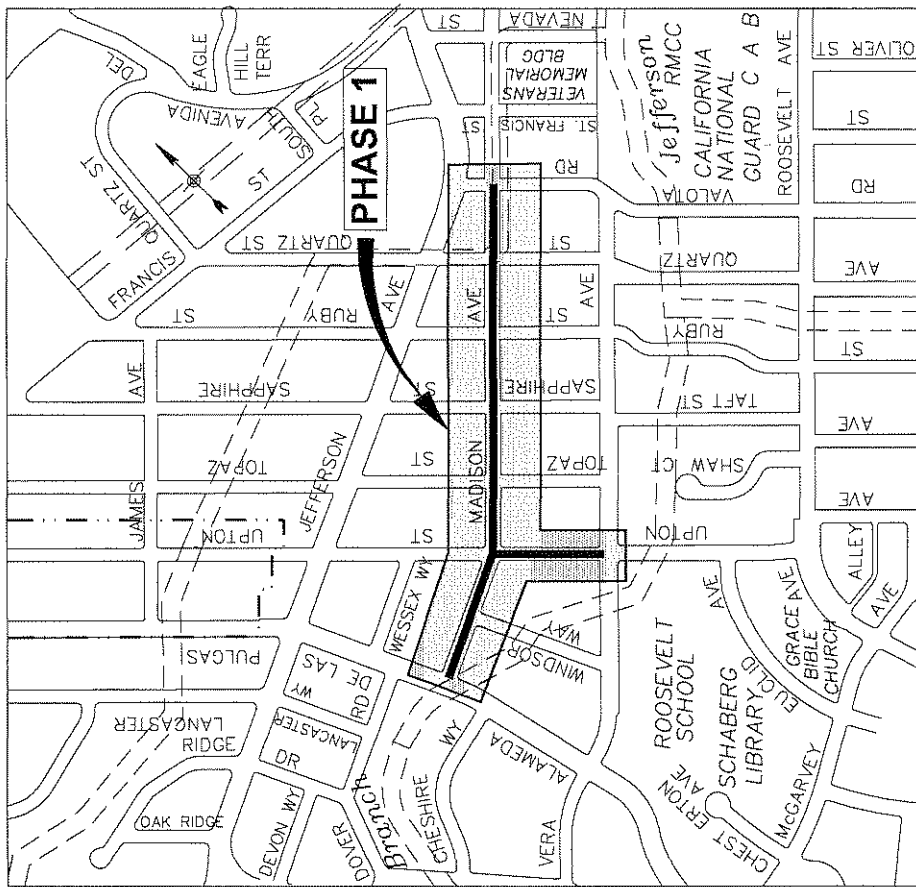


AREA 1



PROJECT SITE

AREA 2



PROJECT LOCATION MAP

NOT TO SCALE