

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

October 22, 2007

**SUBJECT**

Award of Contract – 2006-2007 Watermain Replacement Project

**RECOMMENDATION**

Approve, by motion, the contract documents and award the contract for the 2006-2007 Watermain Replacement Project to the lowest responsible bidder, Shaw Pipeline Inc. of San Francisco, California, for their low bid of \$1,958,420.00.

**BACKGROUND**

The City performs an annual project to replace sections of the water distribution system that have a history of service disruptions due to age, excessive maintenance requirements, and/or capacity limitations. Watermain sections targeted for eventual replacement are annually reviewed by the Engineering & Construction Division and Public Works Services to prioritize sections most in need of replacement. The 2006-2007 Watermain Replacement Project will replace nearly two noncontiguous miles of the water distribution system in two construction phases. Please see attached Project Location Map.

The seven (7) bids received at the bid opening on Wednesday, September 26, 2007, are summarized below.

Bidder	Bid Amount
Shaw Pipeline, Inc. – San Francisco	\$1,958,420.00
Precision Engineering, Inc. – San Francisco	\$1,988,050.00
Synergy Project Management, Inc. – San Francisco	\$2,044,900.00
West Valley Construction Company, Inc. – Redwood City	\$2,048,245.00
J & M, Inc. - Livermore	\$2,256,003.00
Pacific Underground Construction, Inc. – San Jose	\$2,407,175.00
D & D Pipelines, Inc. – San Francisco	\$2,432,100.00
Engineer's Estimate	\$1,798,000.00
<b>Recommended Bidder: Shaw Pipeline, Inc.</b>	
<b>Substantiation: Shaw Pipeline, Inc. is the lowest responsive and responsible bidder.</b>	

The bid of \$1,958,420.00 is 8.9% higher than the Engineer's Estimate of \$1,798,000.00 for the cost of construction. Shaw Pipeline, Inc. has successfully completed similar projects in the past and is a qualified contractor. Based on the bids received, staff believes that the low bid is reasonable and responsive, and recommends awarding the contract to Shaw Pipeline, Inc.

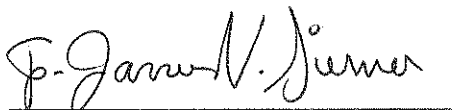
Construction is scheduled to take place in two phases. Phase I activity is expected to begin within 30 days of Council's award of this contract. Phase II activity is scheduled to start within the next 90 days. Project completion is anticipated by May, 2008. The City will give notice, upon award of this contract, to all residents and businesses that might be affected by the construction. Additionally, the contractor will be obligated to distribute door hangers to give at least two day prior notice of work in a specific area that might affect water service.


**ALTERNATIVES**


Council may choose not to award the contract which could result in the delay of needed improvements. Continued deterioration of the watermain section will result in service interruptions and higher replacement costs.

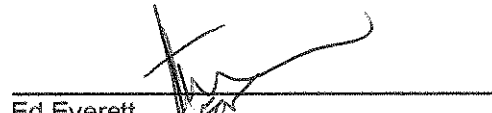
**FISCAL IMPACT**

Sufficient funding has been appropriated in the FY 2006-2007 Budget, Water Fund Capital Projects – Distribution System Replacement Program.

  
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Javier Sierra  
Associate Engineer

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

  
\_\_\_\_\_  
Peter Ingram  
Community Development Director

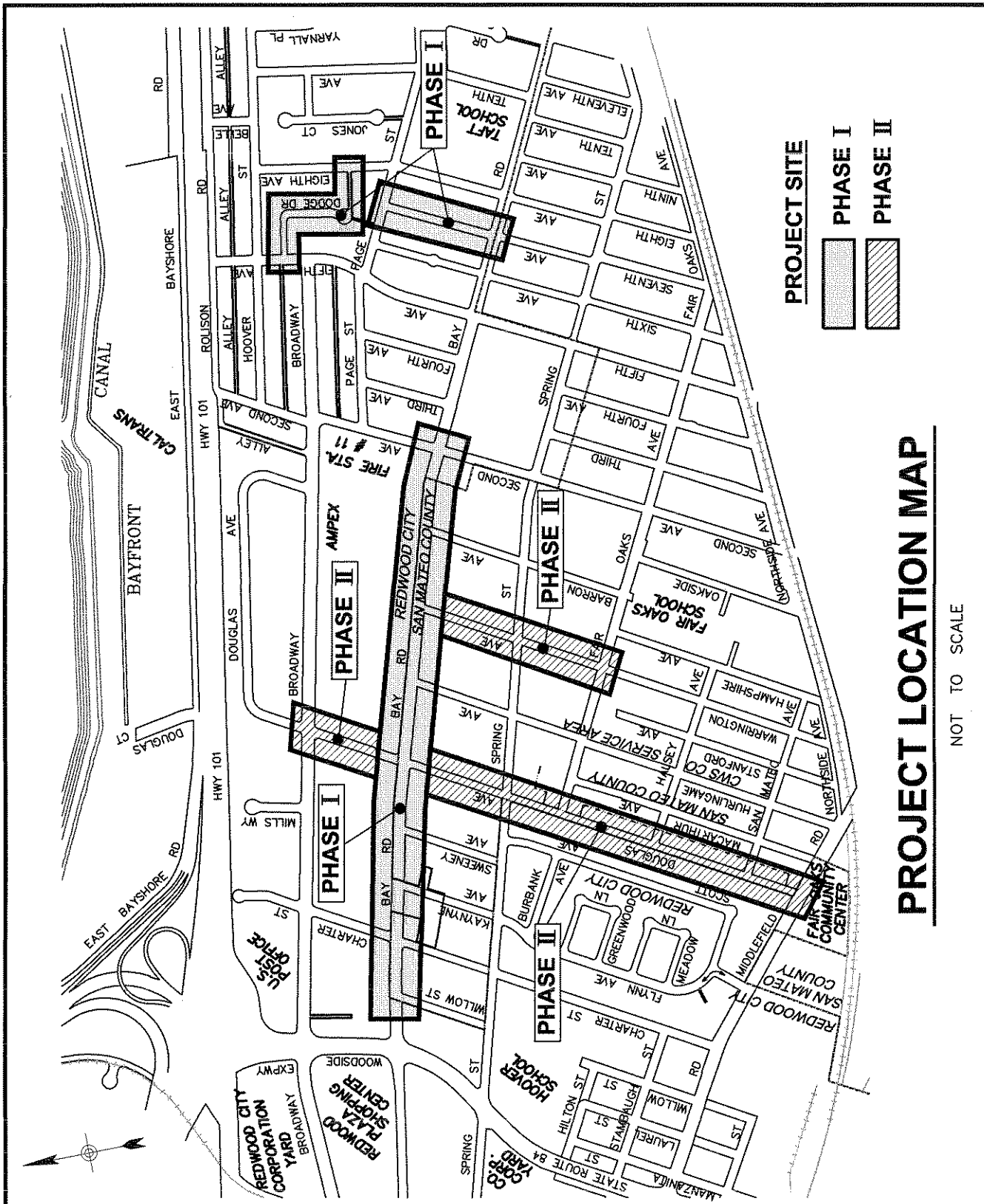
  
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Ed Everett  
City Manager

**ATTACHMENTS**

2006 – 2007 Watermain Replacement Project Location Map

**RELATED DOCUMENTS IN CITY CLERK'S OFFICE**

1. Contract Documents
2. Bid Documents



**PROJECT SITE**  
 **PHASE I**  
 **PHASE II**

**PROJECT LOCATION MAP**

NOT TO SCALE

DELINEATED:	DATE: 9/26/07
<b>M.GITO</b>	
CHECKED:	DATE: 9/26/07
<b>J. SIERRA</b>	
APPROVED:	DATE: 9/26/07
<b>PHONG DU</b>	
SCALE:	NOT TO SCALE

**CITY OF REDWOOD CITY**  
**COMMUNITY DEVELOPMENT SERVICES**  
**ENGINEERING AND CONSTRUCTION**  
**2006- 2007 WATERMAIN REPLACEMENT PROJECT**  
**ATTACHMENT**

SHT 1 OF 1