

REPORT

To the Honorable Mayor and City Council
From the City Manager

July 28, 2008

SUBJECT

Construction Management Services for the Redwood City Recycled Water Project – Phase I – Redwood Shores Distribution System – Bid Package 9.

RECOMMENDATION

Approve, by motion, a professional services agreement with CSG Consultants, Inc. of San Mateo to provide construction management services for the Redwood City Recycled Water Project – Phase I – Redwood Shores Distribution System – Bid Package 9 – [Island Drive and Bridge Parkway (In Westport Office Park)] not to exceed \$234,006.00.

BACKGROUND

Staff conducted a selection process in December 2005 to choose a firm to provide construction management and inspection services for the Redwood City Recycled Water Project – Phase I – Distribution System. Two firms were found to be equally qualified and experienced; The Covello Group, Inc. (“Covello”), and CSG Consultants, Inc. (“CSG”).

The City has initiated seven recycled water distribution pipeline projects over the past two years (Bid Packages 1, 2, 3, 4, 5, 6, and 7). Award of the construction contract for Bid Package 9 is scheduled for presentation to Council on August 4, 2008. The work of this project includes installation of 8-inch, 14-inch, and 20-inch recycled water pipe along Island Drive and Bridge Parkway in the Westport Office Park. The estimated cost for Bid Package 9 is \$1.4 million.

Covello and CSG are equally qualified and selection of one of these firms for any phase of the project to date has been largely a matter of availability and specialization. Council has previously approved agreements with CSG for Bid Packages 1 through 4. Council has previously approved an agreement with Covello for Bid Packages 5 through 7. Both Covello and CSG have successfully provided construction management services for the recycled water project. CSG’s services are preferred on Bid 9 because of the greater availability of their key personnel during the scheduled construction period for this project.

ALTERNATIVES

- Council may choose not to approve the proposed agreement with CSG, Inc., and direct staff to seek other construction management services.
- Council may give direction to increase existing Engineering & Construction division staffing. Adding staff has short term and long term ramifications.
 - a. Advantageous aspects include short term cost savings, and gained and retained experience from the direct management of this type of work.

- b. Disadvantageous aspects include the uncertainty of finding a qualified professional for a project of this size and complexity, and the need to sustain the permanent budgetary requirement after project completion.

FISCAL IMPACT

Funds for the proposed construction contract are available from the Water Revenue Bond proceeds. The City has issued a series of three Water Revenue Bonds to finance Phase 1 of the Recycled Water Project. Available project funds, less unattributed interest, total \$11,066,163 as of May 31, 2008. Up to 25% of eligible construction costs of Bid Packages 5 through 9 may be reimbursed by the State's Proposition 13 Water Recycling Grant Program.



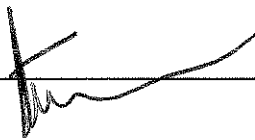
Phong Du, P.E.
Senior Civil Engineer



Peter Vorametsanti, P.E., Acting Manager
Engineering & Construction



Chu Chang, P.E., Acting Director
Community Development Services



Peter Ingram
City Manager

ATTACHMENTS

None

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

Draft Agreement