

REPORT

To the Honorable Mayor and City Council
From the City Manager

July 13, 2009

SUBJECT

Award of Contract –Sewer Force Main Replacement Project

RECOMMENDATION

Approve, by motion, the contract documents and award the contract for the Sewer Force Main Replacement Project (from Pump Station No.12 to Pump Station No.10) to the lowest responsible bidder, Peak Engineering, Inc. of Oakland for their responsive and responsible low bid of \$414,635.11 and authorize the City Manager to increase the contract amount up to 10% if necessary.

BACKGROUND

This project is prioritized for completion because of the deteriorated condition of a section of the existing 12-inch diameter asbestos cement pipe. During the recent replacement of an air release valve on the pipe near the intersection of Shell Parkway and Davit Lane, Public Works Services staff noted leaking joints. When the pipe was opened to repair the leaks, staff discovered that the existing pipe wall thickness at the crown of the pipe had thinned to approximately 0.25 inch. Normal wall thickness is approximately 1.25 inches. Engineering staff attributes the excessive deterioration of the pipe wall to the action of corrosive gases trapped in the pipe.

The significantly deteriorated condition of the pipe compromises the reliability of the sewer force main. If the force main fails, the sanitary sewer will overflow creating a public health hazard. The continued reliability of this section is critical to the operation of the sewer system. A failed pipe would require Public Works Services staff to perform repair work under very disadvantageous conditions. Public Works Services staff would be required to divert the flows generated by five other pump stations located upstream from Pump Station No.12 until repairs were made. Additionally, without the force main operational, the sewer system loses the capability of conveying wastewater in this area.

The project consists of approximately 2,400 linear feet of 12-inch polyvinyl chloride (PVC) pipeline that will replace asbestos cement pipe along Shell Parkway and Davit Lane, from Sewer Pump Station No.12 to Sewer Pump Station No.10, in Redwood Shores. The new force main will be constructed using traditional open cut method. The contractor will resurface roadway areas, from curb to curb, that are disturbed or otherwise affected during the work to replace the pipeline segment. This project will restore the reliability and improve the overall functionality of the sewer collection system in Redwood Shores.

Eleven (11) bids were received at the bid opening on Wednesday June 3, 2009, for the Sewer Force Main Replacement Project and are summarized in the table below.

Bidder	Bid Amount
Peak Engineering, Inc. – Oakland	\$414,635.11
Stoloski & Gonzalez, Inc. – Half Moon Bay	417,327.90
K .J. Woods Construction, Inc. – San Francisco	438,000.00
Casey Construction, Inc.– Emerald Hills	448,821.64
Ranger Pipelines, Inc.– San Francisco	469,546.50
Darcy & Harty Construction, Inc. – San Francisco	479,169.63
Precision Engineering, Inc. – San Francisco	492,655.25
EPS, Inc. – San Mateo	492,926.39
California Trenchless, Inc. – Hayward	522,720.15
West Valley Construction Company, Inc. – San Jose	540,728.95
Pacific Underground Construction Inc. – San Jose	589,857.00
Engineer's Estimate	\$465,000.00
<u>Recommended Bidder:</u> Peak Engineering, Inc. of Oakland	
<u>Substantiation:</u> Peak Engineering, Inc. of Oakland is the lowest responsive and responsible bidder.	

The low bid of \$414,635.11 submitted by Peak Engineering Inc. is 10.83% lower than the engineer's estimate of \$465,000.00. Staff attributes this variance to a very competitive bidding environment. Based on the bids received, staff believes that the low bid of \$414,635.11 is reasonable and responsive, and recommends awarding the contract to Peak Engineering, Inc.

ALTERNATIVES

Council may choose not to award the contract and direct staff to modify the scope of work and re-solicit bids for this work.

FISCAL IMPACT

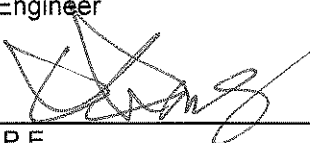
Funds for the general work of this project have been allocated in the Fiscal Year 2008/09 budget as "Sewer Fund Capital Projects - Collection System Replacement Program" which has an available balance of \$697,721.39 as of May 31, 2009.



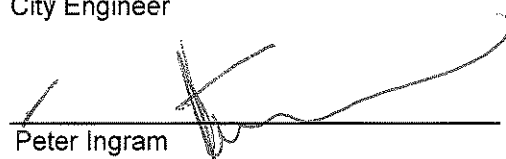
Jimmy Tan, P.E.
Senior Civil Engineer



S. Peter Vorametsanti, P.E.
City Engineer



Chu Chang, P.E.
Community Development Services Director



Peter Ingram
City Manager

ATTACHMENTS

None

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

1. Contract Documents
2. Bid Documents