

SUBJECT: AWARD OF CONTRACT – ISLAND ANNEXATION SEWER PROJECT (AREA 458A & AREA 458B)

SOURCE: Public Works Department - Engineering Division

COMMENT: On January 10, 2013, staff received five (5) bids for the Island Annexation Sewer Project - Area 458A and Area 458B. The proposed project will be the first 2006 island annexation area to receive new sewer infrastructure. Area 458A and Area 458B are generally bounded by the Porter Slough to the north, Olive Avenue to the south, Mathew Street to the west and Beverly Street to the east. In total there are five (5) areas slated for new sewer infrastructure. For the benefit and convenience of the public, each area will be constructed sequentially.

The proposed project includes 16,700 lineal feet (3.16 miles) of 8" and 6" diameter sewer mains, 43 sewer manholes and 412 sewer laterals. Construction sequencing will be essential throughout the project and specified as such, so as to maintain access and minimize the inconvenience within the neighborhoods affected by this project.

The Engineer's estimate of probable cost for construction is \$2,299,674. The low bid for the project is 21.5% below the Engineer's estimate. An additional \$180,450.24 is necessary for construction contingency (10%). It is anticipated that an additional \$90,225.12 is required for construction management, quality control and inspection services (5%) for a total estimated project cost of \$2,075,177.76.

Refinancing of the Sewer Revenue Bonds, better known to staff as Certificate of Participation (COP) funds, is the mechanism for funding this project and subsequent project areas. The stated funding source was approved in the 2012/2013 Annual Budget. It should be noted that the five (5) areas slated for new sewer infrastructure may develop as a Sewer Utility District if that is the desire of the affected area residents.

The bids are as follows:

	<u>Contractor</u>	<u>Amount</u>
1.	Todd Companies Visalia, CA	\$1,804,502.40
2.	HPS Mechanical Bakersfield, CA	\$2,273,920.00
3.	Dawson-Mauldin Construction Huntington Beach, CA	\$2,424,152.00

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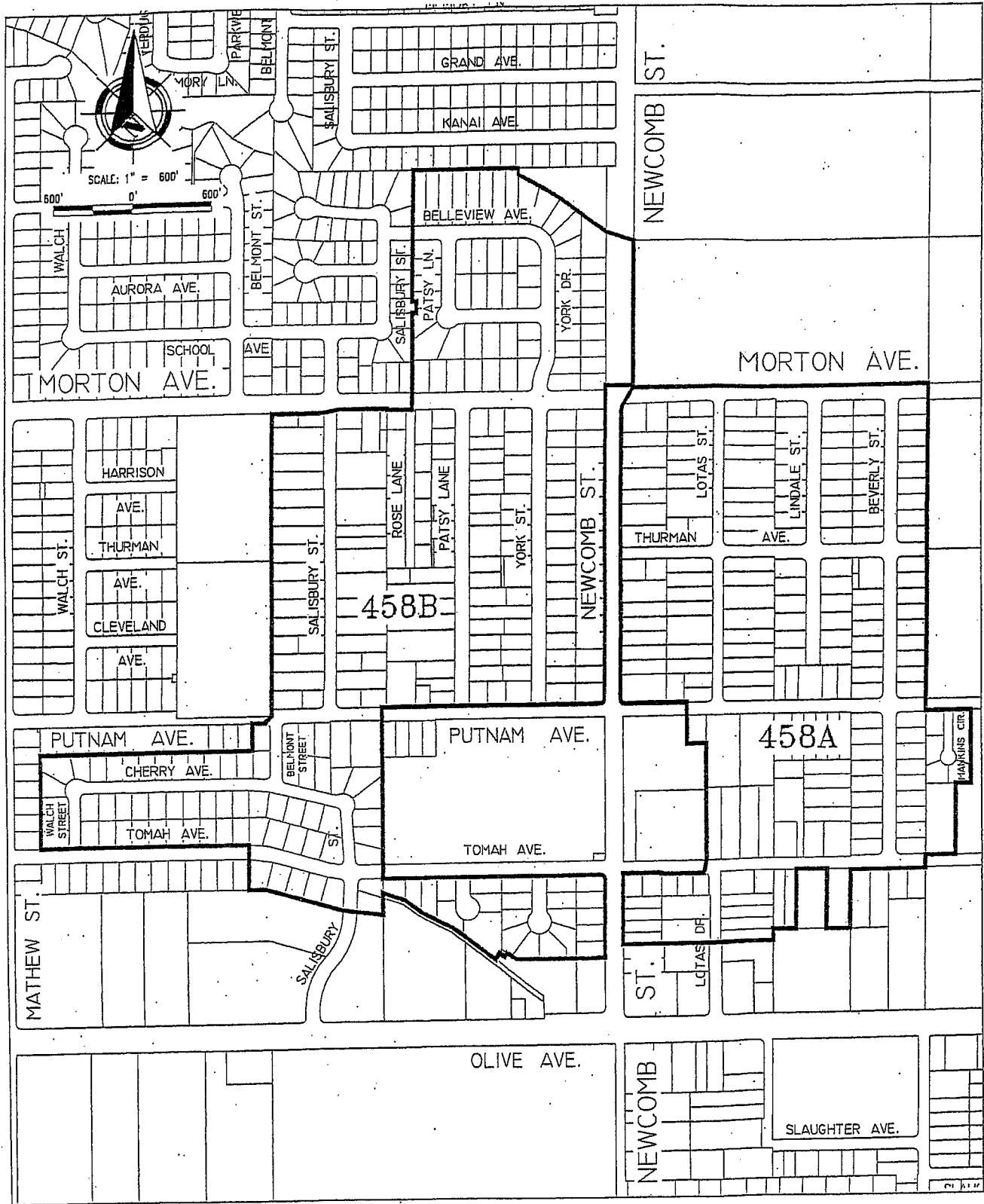
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| 4. | Weka, Inc.
Highland, CA | \$2,909,485.00 |
| 5. | John Madonna Construction
San Luis Obispo, CA | \$3,754,586.00 |

Staff has found the low bid acceptable.

RECOMMENDATION: That City Council:

1. Award the Island Annexation Sewer Project, Area 458A & Area 458B, to Todd Companies, in the amount of \$1,804,502.40;
2. Authorize progress payments up to 95% of the contract amount;
3. Authorize a 10% contingency to cover unforeseen construction costs; and
4. Authorize 5% for construction management, quality control and inspection.

ATTACHMENT: Locator Map



☐ PROJECT BOUNDARIES

ISLAND ANNEX. 458A-B