



# City of San Leandro

Meeting Date: September 18, 2017

## Staff Report

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**File Number:** 17-347

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.B.

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** Staff Report for Resolution Rejecting All Bids for the Water Pollution Control Plant (WPCP) Asphalt Replacement, Project No. 2015.0260

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### SUMMARY AND RECOMMENDATIONS

The contract provided for repaving areas at the City's Water Pollution Control Plant (WPCP) site, which were not repaved as part of the WPCP Replacement Project and for installation of water and compressed air underground service piping for routine maintenance operations at various locations within the plant.

Staff recommends rejecting all bids from the August 10, 2017 bid opening for the subject project and rebidding the project during winter 2017.

### BACKGROUND

The Water Pollution Control Plant (WPCP) is a 30 acre facility at the western end of Davis Street that treats sewage from approximately half the City so that it may be discharged to San Francisco Bay without risk to people or the environment. The recently completed WPCP Replacement project made improvements to many of the structures on site and included replacement of approximately one third of the onsite pavement. This new project will address the remaining deteriorated pavement surfaces in the facility.

Originally, the scope of this project was to repair or replace 2.6 acres of asphalt pavement. During the design of the project, staff identified an additional 0.3 acres for repair or replacement. WPCP staff also requested installation of approximately 1,300 linear feet of joint utility trench to provide compressed air and water to sixteen locations.

This project is intended to improve the pavement and drainage conditions throughout the facility and also improve staff efficiency by providing easier access to compressed air and water used

for maintaining and operating the onsite equipment.

### **Analysis**

Bids for this project were opened on August 10, 2017 and one bid in the amount of \$2,559,000 was received from DeSilva Gates Construction. This bid exceeded the pre-bid engineer's estimate of \$1,050,705 by \$1,500,000. Staff believes that this bid amount is excessive and recommends that the bid be rejected. Staff also believes that rebidding the project in the future will produce a more favorable construction cost for this project.

Post-bid discussions with the low bidder and the other pre-bid meeting attendees (DeSilva Gates Construction, O.C. Jones and Sons, and Golden Bay Construction) attributed the high bid amount of this project to the following factors:

- A highly accelerated working schedule needed to complete the project in the required number of working days before the onset of winter weather; and
- Above ground soil cement mixing (rather than in-situ) takes much longer and is much more costly to complete; and
- Current heavy workload for contractors: One potential bidder could not bid because he did not receive a quote for undergrounding work even though he contacted 20 firms.

Staff anticipates that rebidding this project will result in bids closer to the engineer's estimate. Staff plans to modify the construction documents to reduce costs by providing more working days, a more favorable construction schedule with a spring start to avoid winter weather, and simplifying the cement treatment mixing process. Staff will also call for a new bid this winter, in a more favorable bid environment. Results will be presented to the City Council in early 2018.

The sole bidder does not have an office in San Leandro that would qualify them as a local business per the Local Inclusion Policy Ordinance, nor did they meet the Local Business Participation Goal of 25% by subcontracting with San Leandro businesses for 25% of the contract value. The bidder had one local subcontractor, Columbia Electric, whose subcontract for \$144,000 represents 0.06% of the total contract value. However, the lowest bidder provided documentation that demonstrated completion of the required good faith efforts to meet the local business participation goal. This project is subject to the provisions of the Community Workforce Agreement (CWA) and the bidder signed the Community Workforce Agreement commitment form.

### **Current Agency Policies**

Maintain and enhance the City's infrastructure

### **Previous Actions**

On June 3, 2013, by Resolution No. 2013-072, the City Council approved funding for the project.

### **Summary of Public Outreach Efforts**

This project was posted on the City's website and was advertised in the Daily Review on July 27, 2017. Notification of this bid opportunity was also sent to local Builder's Exchanges as well as contractors who registered with the City to be informed of bidding opportunities.

**Applicable General Plan Policies**

- **Policy CSF 6.4 Wastewater Collection and Treatment.** Maintain efficient, environmentally sound, and cost-effective wastewater collection and treatment services in San Leandro.
- **Policy CSF 6.8 Maintenance.** Ensure that sufficient funding is provided for the ongoing maintenance of City-owned facilities, including streets, street lights, traffic signals, landscaping, street trees, storm drains, public buildings and other infrastructure.

**Environmental Review**

This project is categorically exempt from the California Environmental Quality Act (CEQA) per Section 15301(c) of the CEQA guidelines. The Notice of Exemption was filed with the Alameda County Recorder on March 24, 2017.

**Fiscal Impacts**

The total project cost is estimated at \$1,515,000 as follows:

Design and Bid:	\$ 25,000
Consulting Services (Survey, Geotechnical, Environmental):	\$ 120,000
Construction Contract:	\$1,052,000
Construction Management and Inspection:	\$ 55,000
Construction Contingency:	<u>\$ 263,000</u>
<b>TOTAL:</b>	<b><u>\$1,515,000</u></b>

**Budget Authority**

The project design is funded as follows:

<u>Account No.</u>	<u>Reso, Appropriate Dates &amp; Source</u>	<u>Amount</u>
593-52-258	Reso. 2013-072, 2014-15 Adopted Budget WPCP Enterprise Fund	\$860,000

Additional funding for this project, if needed, will be requested at the time of award of a construction contract.

**PREPARED BY:** Mark Goralka, Associate Engineer, Engineering and Transportation

# BID SUMMARY



This document is a summary of bids received for the subject project and are provided only as a convenience. Listing of a particular bid is not a finding that such bid has been found to be responsive or accepted as complete by the City. An award of contract, if any, is subject to approval of the City Council and/or the City Manager. Contractors should refer to the contract documents for bidding information.

PROJECT TITLE: **WPCP Asphalt Replacement**  
 PROJECT NO.: **2015.0260**  
 BID NO.: **16-17.018**

<b>BID OPENING</b>			<b>ENGINEER'S ESTIMATE</b>		Desilva Gates Construction, LP					
<b>DATE:</b> August 10, 2017 <b>TIME:</b> 3:00 p.m. <b>LOCATION:</b> City Clerk's Office			Date Approved: <b>7/6/2017</b> Prepared by: <b>M. Goralka</b>		11555 Dublin Boulevard Dublin, CA 94568 Phone: (925) 829-9220 Fax: (925) 803-4263		Phone: Fax:		Phone: Fax:	
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST
1	Mobilization and General Conditions per Section 9-3.4	1 LS	\$77,830.00	\$77,830.00	\$125,000.00	\$125,000.00		\$0.00		\$0.00
2	Pothole (5-10' depth) per Section 306-0	2 EA	\$750.00	\$1,500.00	\$4,000.00	\$8,000.00		\$0.00		\$0.00
3	Remove AC Pavement per Section 300-1.2.2	2,160 TN	\$45.00	\$97,200.00	\$130.00	\$280,800.00		\$0.00		\$0.00
4	Remove Concrete Slab per Section 300-1.2.3.2	2,500 SF	\$6.00	\$15,000.00	\$15.00	\$37,500.00		\$0.00		\$0.00
5	Remove Abandoned Utility Box per Section 300-1.2	19 EA	\$100.00	\$1,900.00	\$1,500.00	\$28,500.00		\$0.00		\$0.00
6	Sheeting and Shoring per Section 306-4	1 LS	\$2,500.00	\$2,500.00	\$10,000.00	\$10,000.00		\$0.00		\$0.00
7	Handling Lead-Containing Trench Spoils per Section 306-3.1	80 CY	\$200.00	\$16,000.00	\$80.00	\$6,400.00		\$0.00		\$0.00
8	Dewatering per Section 306-5	1 LS	\$1,500.00	\$1,500.00	\$10,000.00	\$10,000.00		\$0.00		\$0.00
9	8" C900 Storm Line per Section 306-7.7	240 LF	\$200.00	\$48,000.00	\$180.00	\$43,200.00		\$0.00		\$0.00
10	Utility Supply Trench - Occupancy A (1"Ø air, two 2"Ø water) per Section 306-8.6	720 LF	\$125.00	\$90,000.00	\$180.00	\$129,600.00		\$0.00		\$0.00
11	Utility Supply Trench - Occupancy B (1"Ø air, two 1"Ø water) per Section 306-8.6	325 LF	\$120.00	\$39,000.00	\$180.00	\$58,500.00		\$0.00		\$0.00
12	Utility Supply Trench - Occupancy C (1"Ø air, 2"Ø water) per Section 306-8.6	215 LF	\$110.00	\$23,650.00	\$180.00	\$38,700.00		\$0.00		\$0.00



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TIME: 3:00 p.m.		Prepared by: M. Goralka		Dublin, CA 94568		Phone:		Phone:		
LOCATION: City Clerk's Office				Phone: (925) 829-9220		Fax:		Fax:		
				Fax: (925) 803-4263						
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST
13	Utility Supply Trench - Occupancy D (1"Ø air, 1"Ø water) per Section 306-8.6	40 LF	\$105.00	\$4,200.00	\$180.00	\$7,200.00		\$0.00		\$0.00
14	Service Risers (Air / Water) per Section 306-8.6 (Stockpile)	48 EA	\$175.00	\$8,400.00	\$1,800.00	\$86,400.00		\$0.00		\$0.00
15	Unclassified Fill per Section 300-4	180 CY	\$50.00	\$9,000.00	\$50.00	\$9,000.00		\$0.00		\$0.00
16	Subgrade Grading, Tilling, and Stabilization per Section 301-3.2	9,700 SY	\$12.00	\$116,400.00	\$95.00	\$921,500.00		\$0.00		\$0.00
17	Cement for Soil Stabilization per 301-3.2	350 TN	\$175.00	\$61,250.00	\$140.00	\$49,000.00		\$0.00		\$0.00
18	Field Inlet per Section 303-1	2 EA	\$5,500.00	\$11,000.00	\$5,000.00	\$10,000.00		\$0.00		\$0.00
19	Replace Inlet Grate per Section 303-1	3 EA	\$2,500.00	\$7,500.00	\$4,000.00	\$12,000.00		\$0.00		\$0.00
20	Utility Box Adjustment per Section 301-1.6	75 EA	\$100.00	\$7,500.00	\$1,000.00	\$75,000.00		\$0.00		\$0.00
21	Manhole Adjustment per Section 302-5.8	3 EA	\$1,500.00	\$4,500.00	\$10,000.00	\$30,000.00		\$0.00		\$0.00
22	Electrical Vault Lid Adjustment per Section 301-1.6	6 EA	\$2,500.00	\$15,000.00	\$8,000.00	\$48,000.00		\$0.00		\$0.00
23	Install 8" Cleanout Cover per Section 302-5.8	2 EA	\$300.00	\$600.00	\$1,200.00	\$2,400.00		\$0.00		\$0.00
24	Concrete Valley Gutter per Section 303-5	1,670 SF	\$45.00	\$75,150.00	\$30.00	\$50,100.00		\$0.00		\$0.00
25	Concrete Slab per Section 303-5	475 SF	\$20.00	\$9,500.00	\$30.00	\$14,250.00		\$0.00		\$0.00
26	Headerboard per Section 302-5.8.1	785 LF	\$10.00	\$7,850.00	\$20.00	\$15,700.00		\$0.00		\$0.00



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ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	
27	Asphalt Concrete Paving per Section 302-5	2,250 TN	\$120.00	\$270,000.00	\$180.00	\$405,000.00		\$0.00		\$0.00	
28	Asphalt Concrete Overlay per Section 302-5	70 TN	\$120.00	\$8,400.00	\$170.00	\$11,900.00		\$0.00		\$0.00	
29	Asphalt Concrete Dike per Section 302-5.8.1	275 LF	\$25.00	\$6,875.00	\$20.00	\$5,500.00		\$0.00		\$0.00	
30	Microsurfacing per Section 302-15	350 SY	\$10.00	\$3,500.00	\$30.00	\$10,500.00		\$0.00		\$0.00	
31	Geogrid per Section 310-3.2	2000 SY	\$5.00	\$10,000.00	\$10.00	\$20,000.00		\$0.00		\$0.00	
<b>TOTAL BASE BID:</b>				<b>\$1,050,705.00</b>		<b>\$2,559,650.00</b>		<b>\$0.00</b>		<b>\$0.00</b>	
<b>REQUIRED DOCUMENTATION:</b>		<b>Addendum #1 Acknowledgement</b>		<b>YES</b>							
		<b>Bid Bond</b>		<b>YES</b>							
		<b>San Leandro Local Business</b>		<b>NO</b>							
		<b>25 % Participation</b>		<b>NO</b>							
		<b>Good Faith Effort</b>		<b>YES</b>							
		<b>Agreement to be Bound</b>		<b>YES</b>							
<b>SUBCONTRACTORS:</b>				<b>M.F. Maher Inc.</b> <b>Columbia Electric</b> <b>Griffin Soil</b> <b>TDW Construction, Inc.</b>		<b>List Sub-Contractors Here</b>		<b>List Sub-Contractors Here</b>			
<b>SECURITIES:</b>				10% Bid Bond		10% Bid Bond		10% Bid Bond			



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ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	
NOTES:					Addendum #1 Received		** Math Error Corrected and/or Addendum #__ Received		** Math Error Corrected and/or Addendum #__ Received		

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Mark Goralka, Project Manager

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Austine Osakwe, Senior Engineer



# City of San Leandro

Meeting Date: September 18, 2017

## Resolution - Council

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**File Number:** 17-348 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** RESOLUTION Rejecting All Bids for the Water Pollution Control Plant (WPCP)  
Asphalt Replacement, Project No. 2015.0260 (rejects all bids for this project)

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WHEREAS, the City of San Leandro did, on August 10, 2017, publicly open, examine and declare all sealed proposals or bids for the work; and

WHEREAS, said proposals were submitted to the Engineering and Transportation Director for comparison and recommendation; and

WHEREAS, the Engineering and Transportation Director recommends that the proposals for said work be rejected.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

That said City Council hereby rejects all of said proposals or bids for the WPCP Asphalt Replacement, Project No. 2015.0260.