

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Award Construction Contract to Upgrade Waterlines – 30th Street & Oak Street
DATE: May 19, 2009

NEEDS: For City Council to consider awarding a construction contract to upgrade water lines at 30th Street and Oak Street.

- FACTS:**
1. The City’s 2007 Water Master Plan identifies the need to upsize small diameter pipes throughout the City in order to increase delivery of water and fire flow capacity.
 2. Four water supply lines at Oak Street between 30th and 32nd do not meet delivery and fire flow requirements. The lines vary in size from two (2) inches to four (4) inches in diameter. To meet necessary service and fire needs the existing water lines at Oak Street must be increased to eight inches consistent with the City’s Water Master Plan.
 3. As a result, Bid documents were prepared and advertised, and at the bid opening on April 23, 2009, the City received 19 bids:

Crandall Construction	\$ 194,579.00
Kirk Construction	296,501.90
Southern California Pipeline.....	301,349.00
MGE Underground	317,915.00
John Madonna Construction.....	325,432.00
Raminha Construction.....	337,251.00
R. Baker Inc.	337,696.00
DeChance Construction.....	338,054.00
D-Kal Engineering.....	356,123.00
Newton Construction.....	357,930.00
Bullard and Sons.....	373,514.00
Mainline Underground	389,180.00
R. Burke Corporation	389,384.00
California Coastal Development.....	415,158.20
Souza Construction.....	415,386.00
TLC Underground	417,958.09
Pacific Underground.....	418,415.00
Ahrens Corporation.....	425,809.00
Tierra Construction.....	443,486.00

ANALYSIS & CONCLUSION:

On April 27, 2009, the City received a letter from Crandall Construction, the apparent low bidder notifying the City it has made a mathematical error in estimating quantities on their bid proposal and requested the City allow them to retract their bid. Staff reviewed the bid quantities and does not believe the work could be accomplished for the amount quoted. The City’s Construction Attorney, Linda Beck of McDonough, Holland and Allen reviewed the Contractor’s request and determined that the City may allow withdrawal of this bid.

The next lowest bid submitted was from Kirk Construction in the amount of \$296,501.90. Staff reviewed this bid and found it to be a responsive and responsible bid.

POLICY

REFERENCE: Adopted Capital Improvements Budget; 2007 Water Master Plan

FISCAL

IMPACT: A budget of \$400,000 has been adopted under Budget No. 600.910.5452.437 for this project. There is a current balance of \$362,000.

OPTIONS:

- a. Adopt Resolution No. 09-xx awarding and authorizing a contract to upgrade waterlines to Kirk Construction, allocating \$316,502 (\$296,501.90 plus a contingency of \$20,000 for unforeseen conditions) from the Adopted Capital Improvements Budget for upgrade of water lines at 30th and Oak Street.
- b. Amend, modify, or reject the above option.

Prepared by: Ditas Esperanza, P.E., Capital Projects Engineer

Attachments: Resolution

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING A CONTRACT TO UPGRADE WATERLINES
AT 30TH STREET AND OAK STREET

WHEREAS, the City's 2007 Water Master Plan identifies the need to upsize small diameter pipes to increase delivery of fire flow capacity; and

WHEREAS, the existing waterline in Oak Street between 30th and 32nd is four inches in diameter, and per the Water Master Plan the line must be increased to eight inches to meet required fire flow demands; and

WHEREAS, the existing waterlines in 30th Street between Oak and Spring are two inches and four inches respectively, and must be upsized to eight inches to meet fire flow demands; and

WHEREAS, bid documents were prepared and advertised, and at the bid opening on April 23, 2009, and

WHEREAS 19 bids were received ranging in price from \$194,579 to \$443,486; and

WHEREAS, on April 27, 2009, the City received a letter from Crandall Construction, the apparent low bidder, stating they made a mathematical error on their bid proposal and wanted to retract their bid; and

WHEREAS, the retraction letter was reviewed by the City Attorney, who determined that the City could allow the bid to be withdrawn; and

WHEREAS, staff reviewed the next lowest bid, submitted by Kirk Construction in the amount of \$296,501.90, and found it to be a responsive and responsible bid; and

WHEREAS, funds for this project are available in the Budget No. 600.910.5452.437 (no additional appropriation will be necessary).

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of El Paso de Robles does hereby allocate \$316,502 (\$296,501.90 with a \$20,000 contingency for unforeseen conditions) from the adopted Capital Projects Budget and authorize the City Manager to execute a contract with Kirk Construction to complete the work.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 19th day of May 2009 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Duane Picanco, Mayor

ATTEST:

Cathy M. David, Deputy City Clerk