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MEMORANDUM

Engineering Division

To: Honorable Mayor and City Council

Trough: Charles Lawson, Interim City Manager

From: Greg Armendariz, City Engineer

By: Doug DeVries, Associate Engineer

Subject: **Supplemental Information on Staff Recommendation for The Sewer Deficiency and Structural Correction Program 2005 (Project #6073)**

Date: August 23, 2005

The nature of the contract work is to remove and replace deficient sewer lines of various sizes. There is nothing in the scope that is uncommon nor unusually difficult for underground utility contractors. By contacting bidders and planholders who did not bid, staff has learned that the high bids for this project can be attributed in large part to an unfavorable bidding environment. There is currently higher than usual demand by other owners and municipalities in the Bay Area to complete their projects before the rainy season begins. Contractors are extremely busy. Competition for new projects among potential bidders is lower than usual, and the submitted bids appear to be less competitive than usual.

Weather dependent construction work inherently has seasonal price fluctuations and the bidding environment will become beneficial for the city this coming winter. In late winter Contractors begin bidding work for summer construction. At that time contractors will have fewer projects on which to bid and be more likely to reduce their profit and overhead margins in order to ensure their experienced crews remain active and on the payroll. Therefore staff recommends that all the bids be rejected. Staff will then revise the bid documents and send out a new package for bids in the late winter.

Cc: Gerry Krize, Senior Inspector; Don Ayers, Inspector; Nikolai Meyer, Project Managaer

CITY OF MILPITAS
ENGINEERING DIVISION
BID SUMMARY

JOB TITLE: Sewer Deficiency & Structural Correction Program 2005
PROJECT NO 6073
Bid Date: August 5, 2005

ITEM NO.	DESCRIPTION	Qty	Unit	Engineers Estimate		K.J. Woods Construction		Preston Pipelines		Pacific Underground	
				Unit	Extension	Unit	Extension	Unit	Extension	Unit	Extension
1	Mobilzation	1	LS	$45,000.00	$45,000.00	$40,000.00	$40,000.00	$44,575.00	$44,575.00	$56,000.00	$56,000.00
2	Traffic Control	1	LS	$10,000.00	$10,000.00	$15,000.00	$15,000.00	$11,230.00	$11,230.00	$35,000.00	$35,000.00
3	Slurry Seal of streets at sites C1 & C2	1	LS	$10,000.00	$10,000.00	$8,280.00	$8,280.00	$13,640.00	$13,640.00	$25,000.00	$25,000.00
4	Trench Survey	1	LS	$35,000.00	$35,000.00	$23,100.00	$23,100.00	$19,493.00	$19,493.00	$69,785.00	$69,785.00
5	Site N1 - 1665 Cortez to Coelho at Cortez Remove 6' VCP, install new 6" PVC pipe	40	LF	$190.00	$7,600.00	$200.00	$8,000.00	$400.00	$16,000.00	$500.00	$20,000.00
6	Site N2 - Dixon at Conway to Hetch Hetchy Remove 8" VCP, install new 8" PVC pipe.	40	LF	$190.00	$7,600.00	$250.00	$10,000.00	$427.00	$17,080.00	$500.00	$20,000.00
7	Site C1 - 750 Terra Bella North to Valencia Remove 8" ABS pipe, install new 8" PVC pipe.	186	LF	$120.00	$22,320.00	$420.00	$78,120.00	$318.00	$59,148.00	$345.00	$64,170.00
8	Site C2 - 791 Valencia to 751 Valencia Remove 6" ABS pipe, install new 8" PVC pipe.	290	LF	$120.00	$34,800.00	$385.00	$111,650.00	$328.00	$95,120.00	$555.00	$160,950.00
9	Reconnect service laterals to newly installed pipe.	11	EA	$300.00	$3,300.00	$200.00	$2,200.00	$970.00	$10,670.00	$580.00	$6,380.00
10	Recharinel manholes	2	EA	$500.00	$1,000.00	$1,000.00	$2,000.00	$791.00	$1,582.00	$1,500.00	$3,000.00
11	Site W6 - Norwich at Barker to Norwich at Casper Remove 10" VCP, install new 10" PVC	270	LF	$130.00	$35,100.00	$185.00	$49,950.00	$259.00	$69,930.00	$375.00	$101,250.00
12	Reconnect service laterals to newly installed pipe.	5	EA	$300.00	$1,500.00	$100.00	$500.00	$970.00	$4,850.00	$580.00	$2,900.00
13	Rechannel manholes	2	EA	$500.00	$1,000.00	$1,000.00	$2,000.00	$784.00	$1,568.00	$1,500.00	$3,000.00
14	Site W7 - Norwich at Barker to 212 Barker Remove 8" VCP, install new 8" PVC pipe.	340	LF	$120.00	$40,800.00	$185.00	$62,900.00	$248.00	$84,320.00	$375.00	$127,500.00
15	Reconnect service laterals to newly installed pipe.	10	EA	$300.00	$3,000.00	$100.00	$1,000.00	$970.00	$9,700.00	$580.00	$5,800.00
16	Site SE6 - 1425 Saturn Court to End of Court Remove 6" VCP, install new 8" PVC pipe.	300	LF	$110.00	$33,000.00	$180.00	$54,000.00	$222.00	$66,600.00	$250.00	$75,000.00
17	Reconnect service laterals to newly installed pipe.	10	EA	$300.00	$3,000.00	$100.00	$1,000.00	$970.00	$9,700.00	$580.00	$5,800.00
18	Install new manhole at upstream end, connect all active lateras to new manhole.	1	EA	$2,000.00	$2,000.00	$5,000.00	$5,000.00	$2,800.00	$2,800.00	$5,000.00	$5,000.00
19	Root removal from service laterals.	14	EA	$200.00	$2,800.00	$100.00	$1,400.00	$495.00	$6,930.00	$1,000.00	$14,000.00
20	Rechannel downstream manhole.	1	EA	$500.00	$500.00	$1,000.00	$1,000.00	$784.00	$784.00	$1,500.00	$1,500.00
21	Site SE9 - Carnegie at Edsel to Freeland Remove 8" VCP, install new 8" PVC pipe.	500	LF	$120.00	$60,000.00	$175.00	$87,500.00	$211.00	$105,500.00	$260.00	$130,000.00
22	Reconnect service laterals to newly installed pipe.	17	EA	$300.00	$5,100.00	$100.00	$1,700.00	$970.00	$16,490.00	$580.00	$9,860.00
23	Root removal from service laterals.	17	EA	$200.00	$3,400.00	$100.00	$1,700.00	$495.00	$8,415.00	$1,000.00	$17,000.00
	Total				$367,820.00		$568,000.00		$676,125.00		$958,895.00
							Apparent Low Bid				