



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: OCTOBER 6, 2015**
FROM: PUBLIC WORKS DEPARTMENT **WARD: 2**
SUBJECT: BID NO. 7337 – NINTH STREET SEWER REPLACEMENT – AWARD CONTRACT FOR \$1,892,223

ISSUE:

The issue for City Council consideration is to award a construction contract to replace the existing sewer mains on Ninth Street, Park Avenue, Sedgwick Avenue, Twelfth Street, and in the alleys south of Ninth, Tenth, and Eleventh Streets (Project).

RECOMMENDATION:

That the City Council award a construction contract for Bid No. 7337 – Ninth Street Sewer Replacement to Mamco, Inc., d.b.a. Alabbasi, Perris, California, in the amount of \$1,892,223.

BACKGROUND:

This Project will replace the sewer mains on Ninth Street, Park Avenue, Sedgwick Avenue, Twelfth Street, and in the alleys south of Ninth, Tenth, and Eleventh Street (Attachment 1). The sewer mains are cracked and experience sporadic root intrusion and infiltration. Moreover, they do not have adequate capacity and have experienced spillage on multiple occasions in the past.

On September 9, 2015, fourteen bids were received for the construction of the Project (Attachment 2). The lowest responsive bid is from Mamco in the amount of \$1,892,223, which is 44.8% below the Engineer's estimate. The remaining bids ranged from \$2,014,128 to \$3,478,267 (41.3% below to 1.4% over the Engineer's estimate). The Public Works Department has reviewed the bids and determined that the Engineer's estimate did not adequately compensate for the fall in the price of crude oil which is the main component in production of the polyvinyl chloride (PVC) pipes.

The Purchasing Services Manager concurs with the award recommendation above.

FISCAL IMPACT:

The estimated total project cost including design, construction, construction engineering and contingencies is \$2,460,000. There are sufficient funds available in Project Account No. 9859323-440301 to award the contract and complete the Project.

Prepared by: Thomas J. Boyd, P.E., Public Works Director/City Engineer
Certified as to
availability of funds: Brent A. Mason, Finance Director/Treasurer
Approved by: Al Zelinka, FAICP, Assistant City Manager
for John A. Russo, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Project Location Map
2. Bid Award Recommendation