



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
November 4, 2009**

TO: Mayor and City Council
FROM: Tim Tucker, City Engineer
SUBJECT: 2009 Water Line Replacement, Project No. C7024
DATE: October 22, 2009

RECOMMENDATION:

Adopt resolution accepting bids for the 2009 Water Line Replacement, Project No. C7024, and awarding the construction contract to the K.J. Woods Construction, Incorporated.

BACKGROUND:

Attached is a key plan showing the project locations. The locations were selected with the assistance of the Water Maintenance Division. The work includes:

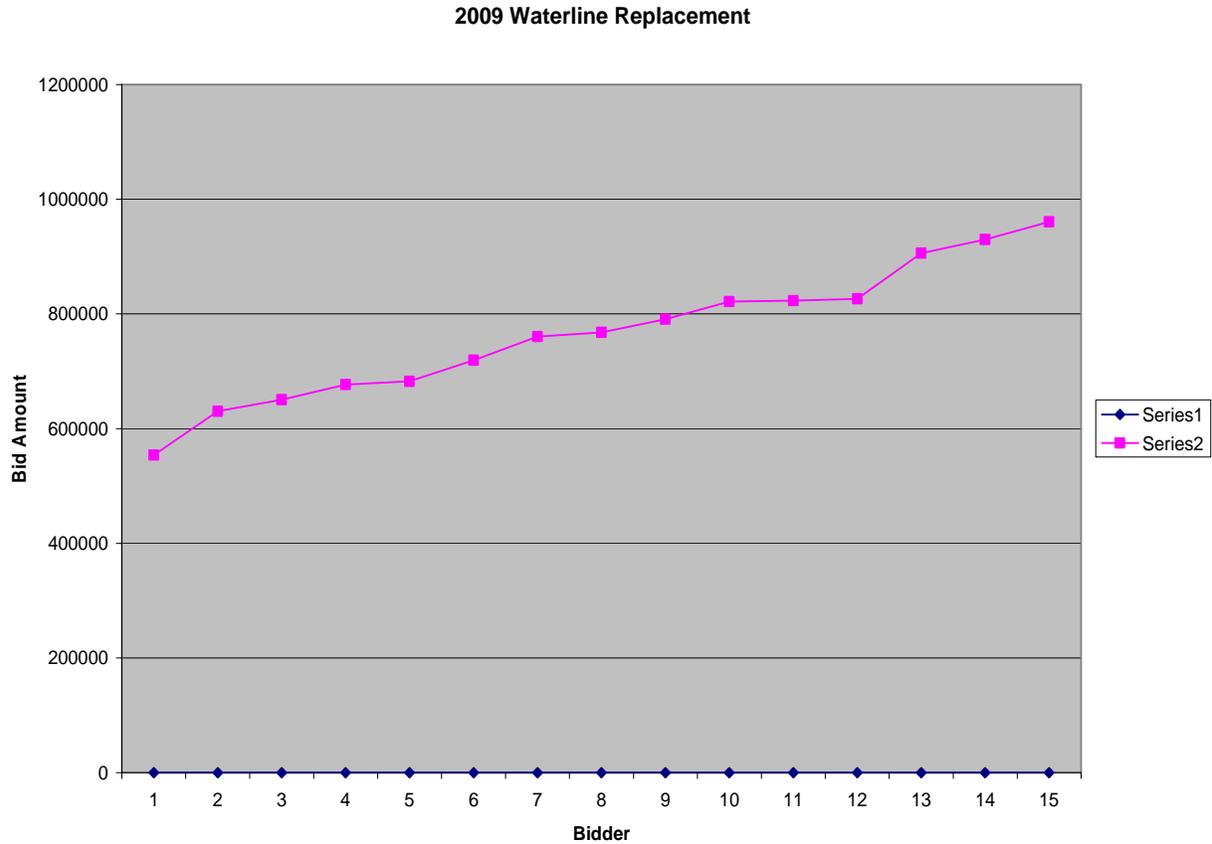
- 1) Upgrading old substandard two inch diameter water mains,
- 2) Replacing old water mains where we have experienced numerous leaks, and
- 3) Replacing old valves that have failed to function properly.

Fifteen bids were opened at 2:00 p.m. on Tuesday, October 20, 2009 for the construction of this project. The bids ranged from \$554,000 to \$960,680. K.J. Woods Construction of San Francisco, California, is the lowest responsible bidder. The following is a list of the lowest five bidders:

- K.J. Woods Construction, Inc. \$ 554,000.00
- Hudson Excavation, Inc. \$ 630,409.00
- Team Ghilotti, Inc. \$ 650,492.15
- D.R. Lemings Construction \$ 676,650.00
- Argonaut Constructors \$ 682,665.00

K.J. Woods Construction has successfully completed water main projects in the cities of Burlingame, Redwood City, and Mountain View. A check of their references provided favorable responses.

Below is a chart of the bids received. The low bid is considerably lower than the second low bid. This is an indication of the low bidder's availability and desire to do the work. The Engineer's Estimate was \$875,740. The Engineer's Estimate is not intended to be at the low bid but rather used as an indicator of the competitiveness of the bids received. For waterline replacement projects the Engineer's Estimate is based primarily on the review of prior year bids. A comparison of the Engineer's Estimate to the average bid of \$781,800 (excluding low bidder) reveals bids for this type of work are approximately 11% lower than we would normally anticipate.



FISCAL IMPACT:

The water line replacement project is budgeted under Account No. C7024. The project budget is sufficient to fully fund the project.

The project budget is as follows:

BUDGET:	
1. Design/Admin.	\$ 45,000
2. Construction*	\$637,000
3. Material Testing & Corrosion Protection	\$ 15,000
4. Inspection & Construction Management	\$ 40,000
5. Advanced pot hole and tie-in work	\$ 30,000
Subtotal	\$ 767,000
Budget Surplus	\$ 225,090
Total Budget	\$ 992,090
Funding:	
Water Funds	\$ 992,090

* Construction includes 15% Contingency

Unlike many cities, Martinez shows the true total cost of the project including staff time costs. This project was designed by City staff. As a rule of thumb design costs are approximately 10% of the construction cost. Costs were slightly under this amount for this project. Inspection and Construction Management typically is near 6% of the construction costs.

Contingencies usually run from 5% to 15%. Underground work, such as water main replacement projects, have a high likelihood of encountering unknown buried obstructions and poor soil conditions. We are also aware that several key valves that must be shut off are old and unreliable and may need replacing. For these reasons the contingency was chosen at the higher end of the scale.

Any funding remaining after this project is completed will be rolled into next year's annual water line replacement project.

ACTION:

Adopt resolution accepting bids for the City's 2009 Water Line Replacement, Project No. C7024, and awarding the construction contract to the K.J. Woods Construction, Incorporated.

Attachments:

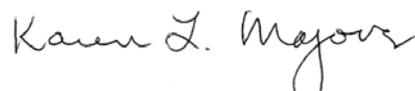
1. 2009 Water Line Replacement – Key Plan
2. Resolution

APPROVED BY:



City Manager

APPROVED BY:



Assistant City Manager
Community & Economic Development

RESOLUTION NO. -09

ACCEPTING BIDS FOR THE CITY'S 2009 WATER LINE REPLACEMENT,
PROJECT NO. C7024, AND AWARDING THE CONSTRUCTION CONTRACT TO
K.J. WOODS CONSTRUCTION, INCORPORATED

WHEREAS, the Council allocated funds for the 2009 Water Line Replacement project on February 4, 2009 as part of the Five-Year Capital Improvement Program for Fiscal Years 2009/10 to 2014/15; and

WHEREAS, the City advertised for bids from general engineering contractors; and

WHEREAS, on October 20, 2009, fifteen (15) bids were publicly opened; and

WHEREAS, it is deemed in the best interest of the public and the City to implement the 2009 Water Line Replacement project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Martinez that:

- A) The bid of K.J. Woods Construction is hereby accepted in an amount of \$554,000 when the required performance bond, labor and materials bond, insurance and other contract documents have been reviewed and approved by the City Attorney, and the City Manager is hereby authorized to execute a contract for said project with the contractor.

- B) Should K.J. Woods Construction fail to deliver all contract documents, fully executed and filled out, so that they are in the hands of the City within ten calendar days after receipt of notice from the City of the City's acceptance of their bid, then the bid shall be deemed in violation of the contract documents and the bid shall be deemed non-responsive and rejected and the second lowest responsible bidder shall be awarded the contract to complete the project.

* * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the day of , 2009, by the following vote:

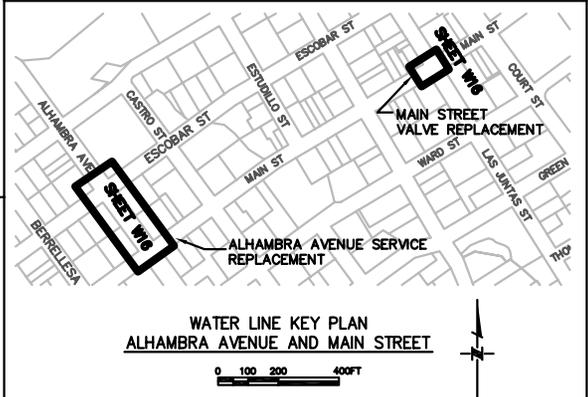
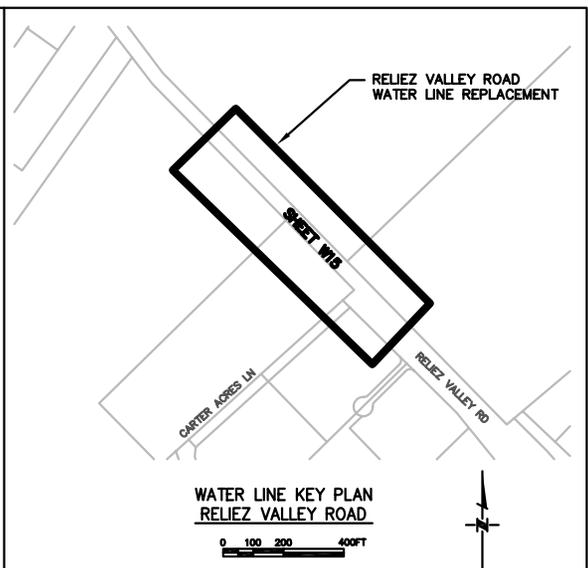
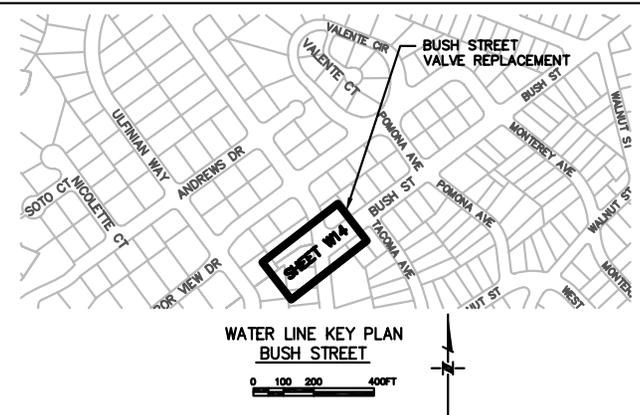
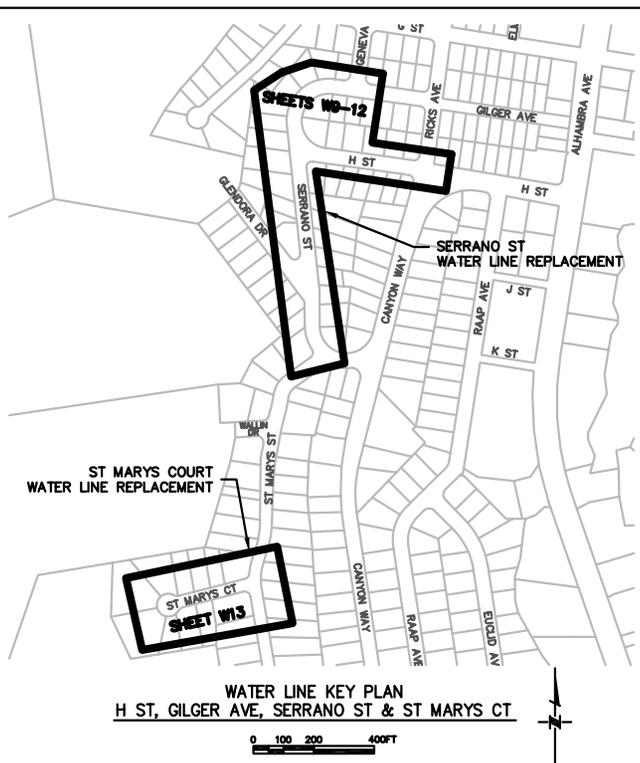
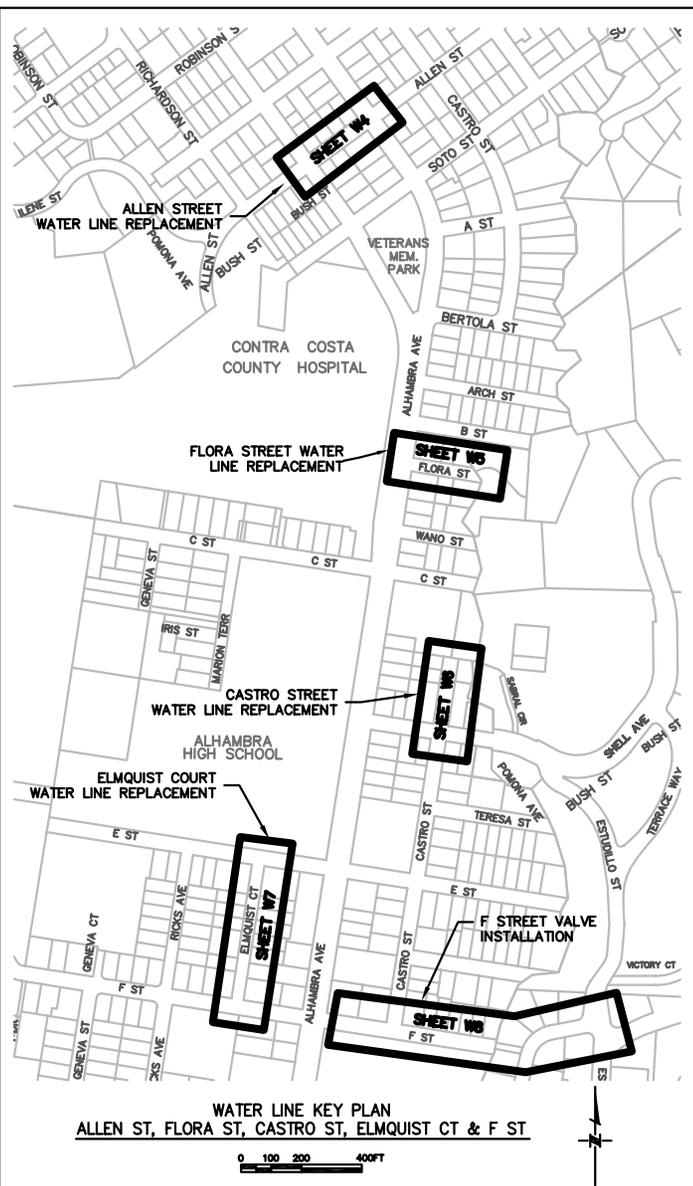
AYES:

NOES:

ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

WATER MAINS 2009 PROJECT AREA MAPS AMS 9/2009 1"=1'



No.	Revision	By	Date	Approved
CITY OF MARTINEZ COMMUNITY DEVELOPMENT DEPARTMENT				
2009 WATER LINE REPLACEMENT				
KEY PLAN				
DSGN: AMS	CHKD: JCE	SCALE:	1" = 400'	
APPD: TT	DRWN: AMS	DATE:	9/2009	
PROJECT: C7024	FILE NO.	SHEET:	W2 OF 17	