



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Loesch

SUBJECT: SEE BELOW

DATE: June 4, 2024

Approved

Date

6/6/24

COUNCIL DISTRICT: 3, 4

SUPPLEMENTAL

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 10388 –
SANITARY SEWER CONDITION ASSESSMENT FISCAL YEAR 2023-
2024 PACKAGE V PROJECT**

REASON FOR SUPPLEMENTAL

To provide additional information obtained after bids were opened.

RECOMMENDATION

- (a) Report on bids and award of contract for the 10388 – Sanitary Sewer Condition Assessment FY 2023-2024 Package V Project to the low bidder, National Plant Services Inc., to include the base bid, in the amount of \$1,377,280; and
- (b) Approve a 10% contingency in the amount of \$137,728.

BACKGROUND

A memorandum dated May 20, 2024 was forwarded to City Council for the June 11, 2024 City Council meeting. This supplemental memorandum provides additional information obtained after the bid opening for the 10388 – Sanitary Sewer Condition Assessment FY 2023-2024 Package V Project (Project).

ANALYSIS

Bids were opened on May 16, 2024, with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
National Plant Services, Inc. (Long Beach)	1,377,280	(690,030)	(33)
Pipe and Plant Solutions, Inc. (San Leandro) (<i>non-responsive</i>)	1,754,290	(313,020)	(15)
Engineer's Estimate	2,067,310	--	--

The bid from Pipe and Plant Solutions, Inc. was deemed non-responsive because the bidder failed to provide a required California Air Resources Board In-Use Off-Road Diesel-Fueled Certificate of Reported Compliance for its fleet.

The low bid submitted by National Plant Services, Inc. is 33 % below the Engineer's Estimate. Volatile conditions continue to influence the construction market and result in estimating uncertainty. Staff considers the low bid submitted for this project to be competitive and legitimate for the work to be performed and recommends award of contract to National Plant Services, Inc.

National Plant Services, Inc. has completed projects for the City of San José including multiple Sanitary Sewer Condition Assessment projects. National Plant Services, Inc. has also completed projects with similar scope for other agencies, such as the Sewer Assessment Project with the City of Fresno.

Wage Theft Prevention Policy Check

The Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on May 16, 2024 and again on June 5, 2024. No wage theft issues were identified.

Local and Small Business Analysis

The recommended contractor is not a local or a small business enterprise. However, D&M Traffic Services (Santa Clara) is listed as a subcontractor. The approximate value of work for D&M Traffic Services is \$55,000 for traffic control services.

COST SUMMARY/IMPLICATIONS

1. TOTAL COST OF PROJECT:

Project Delivery*	\$ 725,959
Construction	1,377,280
Contingency	137,728
TOTAL PROJECT COSTS	\$2,240,967
Prior Year Expenditures	\$160,383
TOTAL REMAINING PROJECT COSTS	\$ 2,080,584

*Project delivery includes \$200,056 for design services and \$525,903 for construction management, survey, and inspection services.

2. COST ELEMENTS OF CONSTRUCTION CONTRACT:

Traffic Control	\$55,000
SONAR inspection	85,300
CCTV inspection	85,300
Cleaning of Pipelines	904,180
Other Construction Costs	247,500
TOTAL CONSTRUCTION CONTRACT	\$ 1,377,280

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2024-2025 Proposed Capital Budget Page*	Last Budget Action (Date, Ord. No.)
545	6521	Infrastructure - Sanitary Sewer Condition Assessment	\$3,200,000	\$ 1,377,280	138	TBD

*The 2024-2025 Proposed Capital Budget is scheduled to be adopted by City Council on June 18, 2024.

HONORABLE MAYOR AND CITY COUNCIL

June 4, 2024

Subject: Report on Bids and Award of Contract for 10388 – Sanitary Sewer Condition Assessment Fiscal Year 2023-2024 Package V

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PUBLIC OUTREACH

This memorandum will be posted on the City’s Council Agenda website for the June 11, 2024 City Council meeting.

/s/

MATT LOESCH

Director of Public Works

For questions, please contact Mathew Nguyen, Deputy Director of Public Works, at mathew.nguyen@sanjoseca.gov or (408) 535-8300.