



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Loesch

SUBJECT: SEE BELOW

DATE: May 28, 2024

Approved

Date

6/5/24

COUNCIL DISTRICT: 1, 2, 3, 5, 6, 7

**SUBJECT: ACTIONS RELATED TO THE 9787 – CAST IRON SEWER
REPLACEMENT FISCAL YEAR 2021-2022 PACKAGE III PROJECT**

RECOMMENDATION

Adopt a resolution authorizing the Director of Public Works to:

- a) Award and execute a contract for the construction of the 9787 – Cast Iron Sewer Replacement FY 2021-2022 Package III Project to the lowest responsive, responsible bidder in an amount not to exceed \$1,900,000;
- b) Decide any timely bid protest(s) and make the City's final determination as to the lowest responsive bidder that is responsible as needed to award the contract; and
- c) Approve a contingency in the amount of 10% of the contract amount.

SUMMARY AND OUTCOME

Approval of the resolution authorizing the Director of Public Works to award and execute a contract will expedite the contract award process and the construction start for the 9787 – Cast Iron Sewer Replacement FY 2021-2022 Package III Project (Project). With the expedited process, staff anticipates construction to start in October 2024 and complete by February 2025.

Approval of the 10% contingency provides funding for any unanticipated work necessary for the proper completion or construction of the Project.

BACKGROUND

The City of San José Department of Public Works developed a Cast Iron Pipe Replacement Program to replace defective, unlined cast iron pipe sewer mains that have corroded significantly since their installation in the 1950s. The Project is part of that program and will remove and replace approximately 1,900 linear feet of six-inch and eight-inch cast iron pipe. The segments to be removed will be replaced with more durable ductile iron pipe coated with ceramic epoxy lining, vitrified clay pipe, and high-density polyethylene pipe. In addition, this Project will remove and replace three sanitary sewer manholes, remove an existing flushing inlet, and construct one new sanitary sewer manhole, and active sewer laterals will be cleaned, inspected, and reconnected.

The Project is located along portions of Kaveny Drive, Snow Drive, Mabury Road, Hawthorne Way, North Jackson Avenue, South Jackson Avenue, Rothrock Drive, Borello Drive, Ramita Court, Settle Avenue, Senter Road, and Dadis Way (**Attachment A** – Location Map 9787 – Cast Iron Sewer Replacement FY 2021-2022 Package III.)

Construction is scheduled to begin in October 2024 and be completed by February 2025.

ANALYSIS

Bids will be opened on June 20, 2024. With the bid opening taking place after the last City Council meeting of the fiscal year, authorizing the Director of Public Works to award and execute the contract will reduce the Project schedule by approximately six to eight weeks by facilitating this work to occur prior to City Council's return from recess in August. The early award of the Project will also provide the necessary flexibility for staff to reduce the project schedule by approximately six to eight weeks and allow for an earlier construction start date.

Contingency

San José Municipal Code Section 27.04.050 provides for a standard contingency of 10% on all public works contracts except those involving the renovation of building or buildings. The standard 10% contingency is appropriate for this Project.

Wage Theft Prevention Policy Check

The Office of Equality Assurance will review bidders for compliance with the City's Wage Theft Prevention Policy before awarding the Project.

Project Labor Agreement Applicability

The City's Project Labor Agreement is applicable to this Project because the Engineer's Estimate is over \$1.22 million.

EVALUATION AND FOLLOW-UP

No additional follow-up action with the City Council is expected at this time.

COST SUMMARY/IMPLICATIONS

The source of funding for the Project is through the 545 Sewer Service & Use Charge Capital Improvement Fund. This Project will have no net operating and maintenance costs.

1. TOTAL COST OF PROJECT:

Project Delivery*	\$540,392
Construction (Engineer's Estimate)	1,290,145
Contingency	129,015
TOTAL PROJECT COSTS	\$1,959,552
Prior Years' Expenditures	\$231,388
TOTAL REMAINING PROJECT COSTS	\$1,728,164

*Project delivery includes \$246,388 for design services and \$294,004 for construction management, inspection services, survey, materials lab services, and project closeout costs.

2. COST ELEMENTS OF ENGINEER'S ESTIMATE:

Mobilization	\$80,000
Traffic Control	35,000
New Pipe Installation	905,050
New Manholes	65,000
Other Construction Costs	205,095
TOTAL AGREEMENT/CONTRACT AMOUNT	\$1,290,145

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	7472	Cast Iron Pipe Remove & Replace	\$5,000,000	\$1,290,145	138	TBD

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

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COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Planning, Building, and Code Enforcement Department.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 18, 2024 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER23-189. CEQA Guidelines Sections 15301(b) Existing Facilities and 15302(c) Replacement or Reconstruction. (**Attachment B** – Statement of Exemption, ER23-189)

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

MATT LOESCH

Director of Public Works

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

ATTACHMENTS:

Attachment A – Location Map 9787 – Cast Iron Sewer Replacement FY 2021-2022 Package III

Attachment B – Statement of Exemption, ER23-189

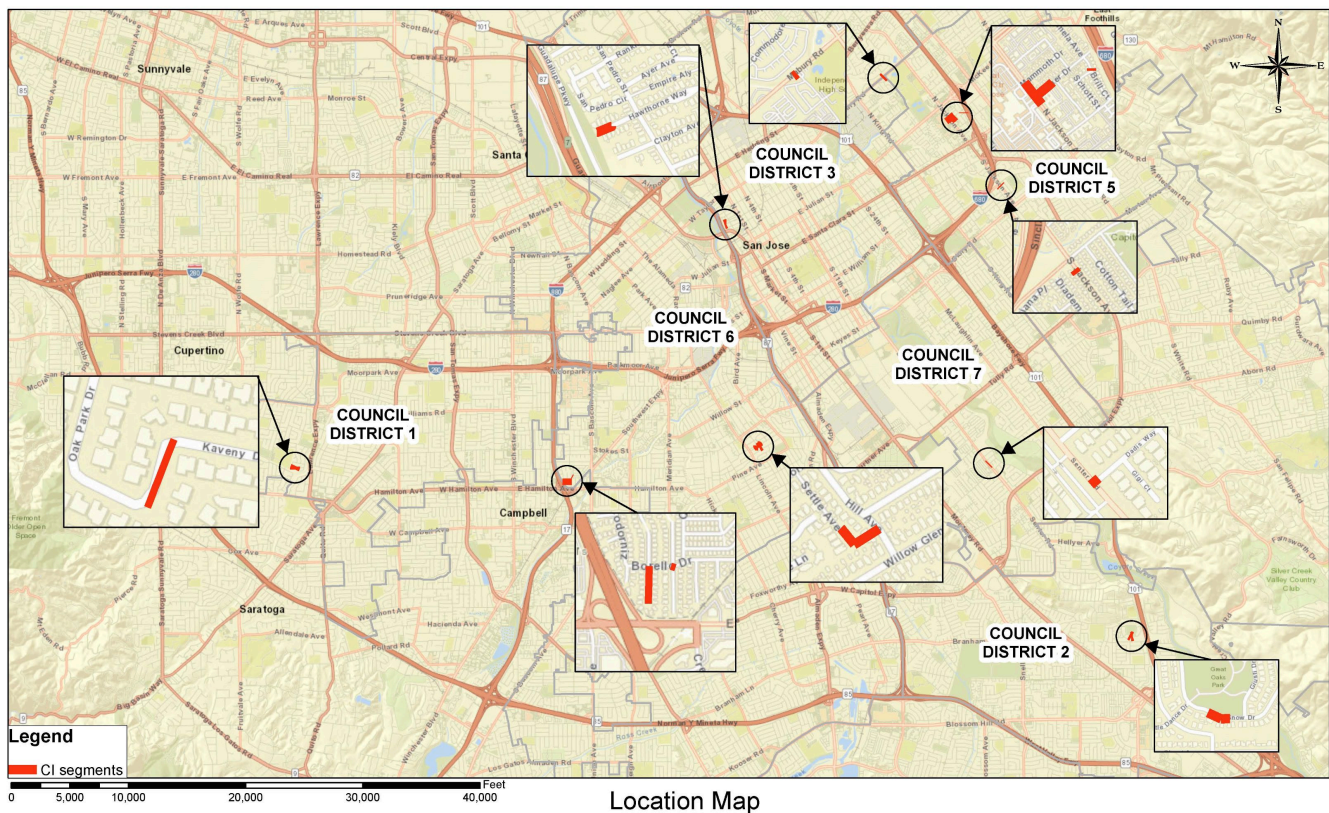
Department of Public Works

9787 - Cast Iron Sewer Replacement FY 2021-2022 Package III

Location

Council District 1: Kaveny Dr
Council District 2: Snow Dr
Council District 3: Mabury Rd, Hawthorne Way
Council District 5: N Jackson Ave, S Jackson Ave, Rothrock Dr
Council District 6: Borello Dr, Ramita Ct, Settle Ave
Council District 7: Senter Rd/Dadis Way

9787 - Cast Iron Sewer Replacement FY 2021-2022 Pkg III



STATEMENT OF EXEMPTION

FILE NO.	ER23-189
LOCATION OF PROPERTY	Citywide
PROJECT DESCRIPTION	Public Project Exemption for sewer inspection, removal and replacement, and rehabilitation work. These types of projects would include the inspection, replacement, and rehabilitation of existing sewer mains ranging from approximately 4- to 44-inch in diameter and associated facilities (e.g. manholes) located in the public-right-of-way and/or in a public utility easement (PUE) throughout the City of San Jose. These projects will evaluate the current condition of each segment of sewer pipeline to determine the appropriate repair method, and deploy pipeline point repairs, Cured-In-Place-Pipe (CIPP) liners, or removal and replacement of entire segments to eliminate exfiltration. These projects may also result in replacing the existing sewer pipeline with a different material than the original but will not increase the size of the sewer pipelines and will not result in expansion of capacity. New associated facilities, such as manholes, may be installed as part of the replacement work. This exemption is only valid for projects that are within the scope of work as described below. This exemption will not be valid for segments that have significant impact to scenic highways, historic resources, or located on a site that is included on any list compiled pursuant of Section 65962.5 of the Government Code.

Expiration date: August 21, 2028

CERTIFICATION

Under the provisions of Sections 15301(b) and 15302(c) of the State Guidelines for Implementation of the California Environmental Quality Act (CEQA) as stated below, this project is found to be exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended.

15301. EXISTING FACILITIES

Class 1 consists of operation, repair, maintenance, permitting, leasing, licensing, or minor alternation of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The types of "existing facilities" itemized below are not intended to be all-inclusive of the types of projects

which might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of an existing use. Examples include but are not limited to:

- (b) Existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services

15302. REPLACEMENT OR RECONSTRUCTION

Class 2 consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced, including but not limited to:

- (c) Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.

ANALYSIS

Public Project Exemption for the inspection, removal and replacement, and rehabilitation of existing sewer segments ranging from approximately 4- to 44-inch diameter in size. This project will evaluate the current condition of each segment of sewer main to determine the appropriate repair method and deploy appropriate point repairs, Cured-In-Place-Pipe (CIPP) liners, or removal and replacement of entire segments to eliminate exfiltration. The purpose of this work is to upgrade and ensure efficiency and safety of the existing utility service system. If replacements are needed, the replacement will not increase the size of the sewer mains and will not result in expansion of capacity. Associated equipment, such as manholes, may need replacement as well.

All of the sewer main segments are located within the City boundary. Most are located within the right-of-way and/or a PUE. There are a few segments of sewer mains that are not within the public-right-of-way and/or a PUE, within 100 feet of a water way, or within the wildlife survey areas or other fee zones as defined by the Santa Clara Valley Habitat Conservation Plan. Even so, the type of work proposed would qualify for a Habitat Conservation Plan exemption from all conditions as the proposed work is considered as, "Routine infrastructure maintenance by public agencies within the planning limit of urban growth that do not affect stream, riparian, serpentine, ponds, or wetland land cover types" (Habitat Conservation Plan, Chapter 6.2). In addition, the work taking place would be within existing disturbed areas and the project would not expand the capacity or length of the sewer main segments. Therefore, the project will not result in substantial adverse impact to sensitive biological resources and will not adversely affect creeks or riparian corridor areas.

In addition, as mentioned above, any tree that is not a Heritage tree that must be removed as a result of the project shall be removed and replaced in accordance with the Department of Transportation regulations. This exemption is only valid for projects that are within the scope of work described. This exemption will not be valid for any segments that have significant impacts to scenic highways, historical resources, or in areas that are included on any list compiled pursuant of Section 65962.5 of the Government Code.

As the project consists of inspection, removal and replacement, and repair of existing utilities facilities or structures, the project, will not involve expansion of the existing infrastructure. Therefore, the project is exempt to CEQA Guideline Section 15301(b) and 15302(c). Projects that are not within the scope of work will require separate environmental review and determination. This exemption is valid until August 21, 2028.

Exceptions:

CEQA Guidelines Section 15300.2 provides exceptions to the use of a Categorical Exemptions where the use of a Categorical Exemption is prohibited under certain circumstances. The City evaluated the proposed project's applicability to all of the exceptions under Section 15300.2. An analysis of each of these exceptions in reference to this proposed project is provided below.

- (a) Location. Class 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located. Section 15300.2(a) stated that a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Section 15300.2(a) does not apply to the Class Category 1 and 2 of exemptions as the project will not occur in a sensitive area.
- (b) Cumulative Impact. Based on the above analysis, there is no evidence of a potential significant cumulative impact on the environment from the proposed project. The project proposes review and rehabilitation of existing sewer mains throughout the city. It has been determined that the project will not cumulatively impact traffic, noise, air quality, or water quality.
- (c) Significant Effect. The proposed project site does not have any unusual circumstances that would negatively impact the environment, thus, the project would not result in any significant environmental effects.
- (d) Scenic Highways. It is not anticipated that the specific project sites will results in damage to any scenic resources. If one does, it is subject to 15300.2(d) and may not utilize this categorical exemption.
- (e) Hazardous Waste Sites. It is not anticipated that the specific project sites will be implemented in area that is included on any list compiled pursuant to Section 65962.5 of the Government Code. If one does, it is subject to 15300.2(e) and may not utilize this categorical exemption.
- (f) Historical Resources. It is not anticipated that the specific project sites will results in damage to any historic resources. If one does, it is subject to 15300.2(f) and may not utilize this categorical exemption.

Christopher Burton, Director
Planning, Building and Code Enforcement



Date: August 23, 2023

Deputy

Environmental Project Manager:
Tina Garg