

**2.15 Report on Bids and Award of Construction Contract for 9911 – New Headworks Access Road Project at the San José-Santa Clara Regional Wastewater Facility.**

**Recommendation:**

(a) Accept the report on bids and award of contract for the construction contract of 9911 – New Headworks Access Road Project to the lowest responsive, responsible bidder, O.C. Jones and Sons, Inc. in the amount of \$1,501,366; and

(b) Approve a 10% construction contingency in the amount of \$150,137.

CEQA: Addendum to the Environmental Impact Report for the San José-Santa Clara Water Pollution Control Plant Master Plan (Resolution No. 76858), for the Yard Piping and Road Improvements Project, File No. PP19-063 (Resolution No. 79932). (Environmental Services/Public Works)



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Kerrie Romanow  
Matt Loesch

**SUBJECT:** SEE BELOW

**DATE:** May 13, 2024

Approved

Date

5/15/24

**SUBJECT: REPORT ON BIDS AND AWARD OF CONSTRUCTION CONTRACT  
FOR 9911 – NEW HEADWORKS ACCESS ROAD PROJECT AT THE  
SAN JOSE-SANTA CLARA REGIONAL WASTEWATER FACILITY**

## **RECOMMENDATION**

- (a) Accept the report on bids and award of contract for the construction of 9911 – New Headworks Access Road Project to the lowest responsive, responsible bidder, O.C. Jones and Sons, Inc. in the amount of \$1,501,366; and
- (b) Approve a 10% construction contingency in the amount of \$150,137.

## **SUMMARY AND OUTCOME**

Award of the construction contract to O.C. Jones and Sons, Inc. will allow for the construction of the 9911 - New Headworks Access Road (Project) at the San José-Santa Clara Regional Wastewater Facility (RWF) to proceed. Construction of this permanent paved roadway, along with drainage and spill protection will help facilitate key RWF activities such as septic hauling and chemical truck deliveries.

## **BACKGROUND**

In 2021, Operations and Maintenance staff identified the need for a permanent roadway from the RWF's construction enabling entry gate to the new Headworks 3 transfer point for septic hauling and chemical trucks. (**Attachment** - Project Location Map). The road is expected to be used and maintained after the temporary construction enabling area is reverted to open space in the next 10 to 15 years.

The Project will construct a new 1,600 linear foot road consisting of two lanes, a sidewalk on the north side, and a new gravity storm drain system to collect runoff from the road and discharge to Headworks 3. The new road will provide proper containment and drainage to protect from

potential spills that could occur from septic hauling or chemical trucks. The expected start of construction is July of 2024, with contract substantial completion anticipated in January of 2025.

## **ANALYSIS**

Bids were opened on March 14, 2024, with the following results.

<b><u>Contractor</u></b>	<b><u>Bid Amount</u></b>	<b><u>Variance Amount</u></b>	<b><u>(Over/Under) Percent</u></b>
O.C. Jones & Sons Inc. (Berkeley)	\$1,501,365.50	(\$475,372.50)	(24)
O'Grady Paving (Mountain View)	\$1,597,723.00	(\$379,015)	(19)
Radius Earthwork (Campbell)	\$1,647,700.00	(\$329,038)	(17)
Redgwick Construction (Oakland)	\$1,659,092.00	(\$317,646)	(16)
Azul Works (San Francisco)	\$1,697,582.00	(\$279,156)	(14)
Galeb Paving (Saratoga)	\$1,817,070.80	(\$159,667.20)	(8)
Joseph J Albanese (Santa Clara)	\$1,855,563.00	(\$121,175)	(6)
Interstate Grading & Paving (South San Francisco)	\$1,944,648.00	(\$32,090)	(2)
<b>Engineer's Estimate</b>	<b>\$1,976,738.00</b>	--	--

The low bid submitted by O.C. Jones & Sons, Inc. is 24% percent under the Engineer's Estimate. The Engineer's Estimate was based on construction costs experienced over the last several years for similar road construction projects. The lower-than-expected bids are likely due to a healthy competition for road construction work as reflected in the high number of bids received.

O.C. Jones & Sons, Inc. has completed similar road construction projects for other local agencies within the past several years. O.C. Jones & Sons, Inc. has also worked on similar road projects, including Highway 101 in San Mateo, Adobe Road in Sonoma County, and Turner Road in Lodi, California.

### *Contingency*

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

### *Project Labor Agreement Applicability*

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

### *Wage Theft Prevention Policy Check*

The Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on March 14, 2024 and again on April 4, 2024. No wage theft issues were identified.

### *Local and Small Business Analysis*

The recommended contractor is not a local or a small business enterprise. In addition, no local subcontractors were listed for the Project.

## **EVALUATION AND FOLLOW-UP**

No follow-up action with City Council is expected at this time. A progress report on the Project and other RWF capital projects will be made to the Transportation and Environment Committee on an annual basis. Quarterly progress reports of the RWF Capital Improvement Program will also be submitted to the Treatment Plant Advisory Committee and posted on the City's website.

## **COST SUMMARY/IMPLICATIONS**

This Project is consistent with the City Council-approved budget strategy to focus on rehabilitating aging RWF infrastructure, improve efficiency, and reduce operating costs. This Project is also consistent with the budget strategy principle of focusing on protecting our vital core services.

In accordance with the recommendations set forth in the Capital Project Cost Allocations Technical Memorandum (Carollo Engineers, March 2016), this Project is allocated between the four billable parameters relative to the rolling weighted average distribution of all RWF assets. The Project will be funded through 512 – San José-Santa Clara Treatment Plant Capital Fund. The Project has no additional impact on the San José-Santa Clara Treatment Plant Operating Fund (Fund 513) or the General Fund.

**1. TOTAL COST OF PROJECT:**

Project Delivery*	\$ 1,674,924
Construction	\$ 1,501,366
Contingency (10%)	\$ 150,137
<b>TOTAL PROJECT COSTS</b>	<b>\$ 3,326,427</b>
Prior Year Expenditures	\$ 883,992
<b>REMAINING PROJECT COSTS</b>	<b>\$ 2,442,435</b>

\*Project delivery includes \$475,935 for project management and environmental permitting during feasibility/development, \$524,622 for project management during design, \$136,092 for bid and award, \$522,595 for construction management, and \$15,679 for post-construction and project closeout. The project delivery cost is approximately 112% of the construction estimate. Although this ratio is high given the relatively small construction cost, it is still consistent with historical project delivery costs for similar size capital projects at the RWF.

**2. COST ELEMENTS OF CONTRACT:**

Mobilization/Demobilization	\$220,000
Fence Relocation, Traffic Control, and Pollution control	53,900
Clearing, Grading and Aggregate Base	339,660
Concrete and Asphalt	561,100
Piping Installation	105,106
Pull Box Adjustments	16,800
Catch Basins	85,800
Signage and Paint	9,000
Allowances	\$110,000
<b>TOTAL CONTRACT AMOUNT</b>	<b>\$1,501,366</b>

**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	2023-2024 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
512	5690	Plant Infrastructure Improvements	\$6,510,000	\$1,501,366	290	10/17/2023 Ord. No. 30966

HONORABLE MAYOR AND CITY COUNCIL

May 13, 2024

**Subject: Report on Bids and Award of Construction Contract for 9911 – New Headworks Access Road Project at the San José-Santa Clara Regional Wastewater Facility**

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## **COORDINATION**

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

## **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the June 4, 2024 City Council meeting.

## **COMMISSION RECOMMENDATION AND INPUT**

This item is scheduled to be heard at the May 23, 2024 Treatment Plant Advisory Committee meeting. A supplemental memorandum with the committee's recommendation will be included in the June 4, 2024 City Council meeting agenda.

## **CEQA**

Addendum to the Environmental Impact Report for the San José/Santa Clara Water Pollution Control Plant Master Plan (Resolution No. 76858), for the Yard Piping and Road Improvements Project, File No. PP19-063. (Resolution No. 79932)

## **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/  
KERRIE ROMANOW  
Director, Environmental Services Department

/s/  
MATT LOESCH  
Director, Public Works

For questions, please contact Mariana Chavez-Vazquez, RWF General Manager, at [mariana.chavez-vasquez@sanjoseca.gov](mailto:mariana.chavez-vasquez@sanjoseca.gov) or (408) 535-8550.

**ATTACHMENT** - Project Location Map

Attachment - Project Location Map



## SAN JOSE / SANTA CLARA WATER POLLUTION CONTROL PLANT

TREATMENT PLANT ADVISORY COMMITTEE

May 23, 2024

The Honorable Mayor and City Council  
City of San José  
200 East Santa Clara Street,  
San José, CA 95113

Dear Mayor Mahan and City Council:

At its meeting on May 23, 2024, the Treatment Plant Advisory Committee (TPAC) reviewed this item:

### **5. F. Report On Bids and Award of Construction Contract For 9911 – New Headworks Access Road Project at The San José-Santa Clara Regional Wastewater Facility Staff**

#### **Recommendation to Committee for City Council:**

- a) Accept the report on bids and award of contract for the construction of 9911 – New Headworks Access Road Project to the lowest responsive, responsible bidder, O.C. Jones and Sons, Inc. in the amount of \$1,501,366; and
- b) Approve a 10% construction contingency in the amount of \$150,137.

**Action: On a motion made by Committee Member Davis and a second by Committee Member Kwok, TPAC recommended approval of item 5. F.**

**Ayes - 9** (Batra, Candelas, Davis, Gillmor, Kwok, Harkness, Montano, Turner, Watanabe)

**Nays - ()**

**Abstain – ()**

Sincerely,



Kathy Watanabe, Chair (Alternate)  
TREATMENT PLANT ADVISORY COMMITTEE