SUBJECT: AWARD OF CONTRACT – ISLAND ANNEXATION SEWER PROJECT (AREA 455A)

SOURCE: Public Works Department - Engineering Division

COMMENT: On July 11, 2013, staff received four (4) bids for the Island Annexation Sewer Project - Area 455A. The proposed project will be the second 2006 island annexation area to receive new sewer infrastructure. Area 455A is generally bounded by W. North Grand Avenue to the north, Mulberry Avenue to the south, Beverly Street to the west and State Route 65 to the east. In total there are five (5) areas slated for new sewer infrastructure with the first, Area 458A & 458B currently under construction. For the benefit and convenience of the public, each area will be constructed sequentially.

The proposed project includes 10,035 lineal feet (1.9 miles) of 8" and 6" diameter sewer mains, 29 sewer manholes and 216 sewer laterals. Construction sequencing will be essential throughout the project and specified as such, so as to maintain access and minimize the inconvenience within the neighborhoods affected by this project.

The Engineer’s Estimate of Probable Cost for construction is $1,052,181. The low bid for the project is 4.1% above the Engineer’s estimate. An additional $109,532.57 is necessary for construction contingency (10%). It is anticipated that an additional $54,766.28 is required for construction management, quality control and inspection services (5%) for a total estimated project cost of $1,259,624.53.

Refinancing of the Sewer Revenue Bonds, better known to staff as Certificate of Participation (COP) funds, is the mechanism for funding this project and subsequent project areas. The stated funding source was approved in the 2013/2014 Annual Budget. It should be noted that the five (5) areas slated for new sewer infrastructure may develop as a Sewer Utility District if that is the desire of the affected area residents.

The bids are as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Todd Companies, Visalia, CA</td>
<td>$1,095,325.68</td>
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</tbody>
</table>

Dir: Appropriated/Funded: CM: Item No. 7
2. Dawson-Mauldin Construction  
   Huntington Beach, CA  
   $1,221,418.00

3. HPS Mechanical  
   Bakersfield, CA  
   $1,417,875.00

4. Lee’s Paving, Inc.  
   Visalia, CA  
   $2,469,694.25

Staff has found the low bid acceptable.

RECOMMENDATION: That City Council:

1. Award the Island Annexation Sewer Project, Area 455A, to Todd Companies, in the amount of $1,095,325.68;

2. Authorize progress payments up to 95% of the contract amount;

3. Authorize a 10% contingency to cover unforeseen construction costs; and

4. Authorize 5% for construction management, quality control and inspection.

ATTACHMENT: Locator Map

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