



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** December 13, 2021

FROM: Matthew Bronson, City Manager

PREPARED BY: Greg Ray, Public Works Director/City Engineer
Gabriel Munoz-Morris, Senior Engineer

SUBJECT: Award of Construction Contract for 2021 Water Line Project, CIP
4004

RECOMMENDATION

Award the construction contract for the 2021 Water Line Project, CIP 4004 to R Baker, Inc., in the amount of \$404,175.50 for the Base Bid; authorize the City Manager to sign and affirm construction change orders up to an aggregate of \$40,417.50; authorize an encumbrance of \$91,050 from the Water Fund; and authorize the Mayor to execute the contract on behalf of the City.

BACKGROUND

The City's system of water mains was built in the late 1950s to early 1960s and originally consisted primarily of 2" and 4" steel water mains providing potable water service to residential properties. These water mains have outlived their useful life to reliably provide adequate pressure and flow including fire flow. The City's Water Master Plan under implementation identifies several deficient areas within the existing network as priorities for replacement or extension. These work locations have been selected to maximize benefits to the network and avoid trenching streets that have recently been paved.

CIP project 4004 bid documents were prepared by MKN & Associates. and bids were opened on November 30, 2021. The City received six bids ranging from \$401,762.50 to \$720,150 compared with the Engineer's Estimate of approximately \$630,000 which included contingencies. The lowest responsive and responsible bidder is R Baker, Inc., with a bid of \$401,762.50 that was corrected to \$404,175.50 due to a non-substantive mathematical error. Staff has completed a review of R Baker, Inc.'s, qualifications and capability to complete the project and is recommending the Council award the construction contract to them.

GHD, Inc. will provide construction management and inspection services for this project. The cost of this service is \$128,618.25, which is responsive to the level of service requested by the City and appropriate relative to the estimated construction cost of \$404,175.50 (approximately 32% of the construction costs). Pending the Council's award of construction contract, preliminary construction on this project is expected to begin in late January or early February 2022. The actual project schedule will be determined following award of the construction contract.

FISCAL IMPACT

The total project construction cost includes the lowest bid plus contingency as identified above for a total of \$444,593. In addition to the construction costs, staff anticipates a construction management and inspection cost of \$141,480 (\$128,618.25 plus a \$12,861.75 contingency). The

project currently has a budget of \$333,000 in FY 2021-22 along with an available carryover of \$162,950.64 from FY 2020-21. Staff is requesting an encumbrance from the Water Bond proceeds of \$91,050 to fully fund the construction and management of this project.

Staff would note that the City received a bid protest from Souza Construction related to R. Baker's bid. Staff has evaluated the claims made in the bid protest and determined them to be valid claims. However, the errors and omissions in R. Baker's bid were not substantive and did not provide them or any other bidder with an unfair advantage or disadvantage and did not impact the final outcome of the bidding process.

ALTERNATIVES

The Council has the following alternatives to consider:

1. Award the contract for construction of the 2021 Water Line Project, CIP 4004, to R Baker Inc., in the amount of \$404,175.50 for the Base Bid; authorize the City Manager to sign and affirm construction change orders up to an aggregate of \$40,417.50; authorize an encumbrance of \$91,050 from the Water Fund; and authorize the Mayor to execute the contract on behalf of the City; or
2. Delay award of the project and provide additional direction to staff; or
3. Reject all bids, modify the project, and re-advertise for bids as soon as possible.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Bid Results
2. Map of Project Areas
3. Budget Adjustment Request

City of Grover Beach Bid Opening Results

Bid Opening Date: Tuesday, January 30, 2021 @ 2:00 p.m.

Bids for: CIP 4004 - Water Line Upgrade Project

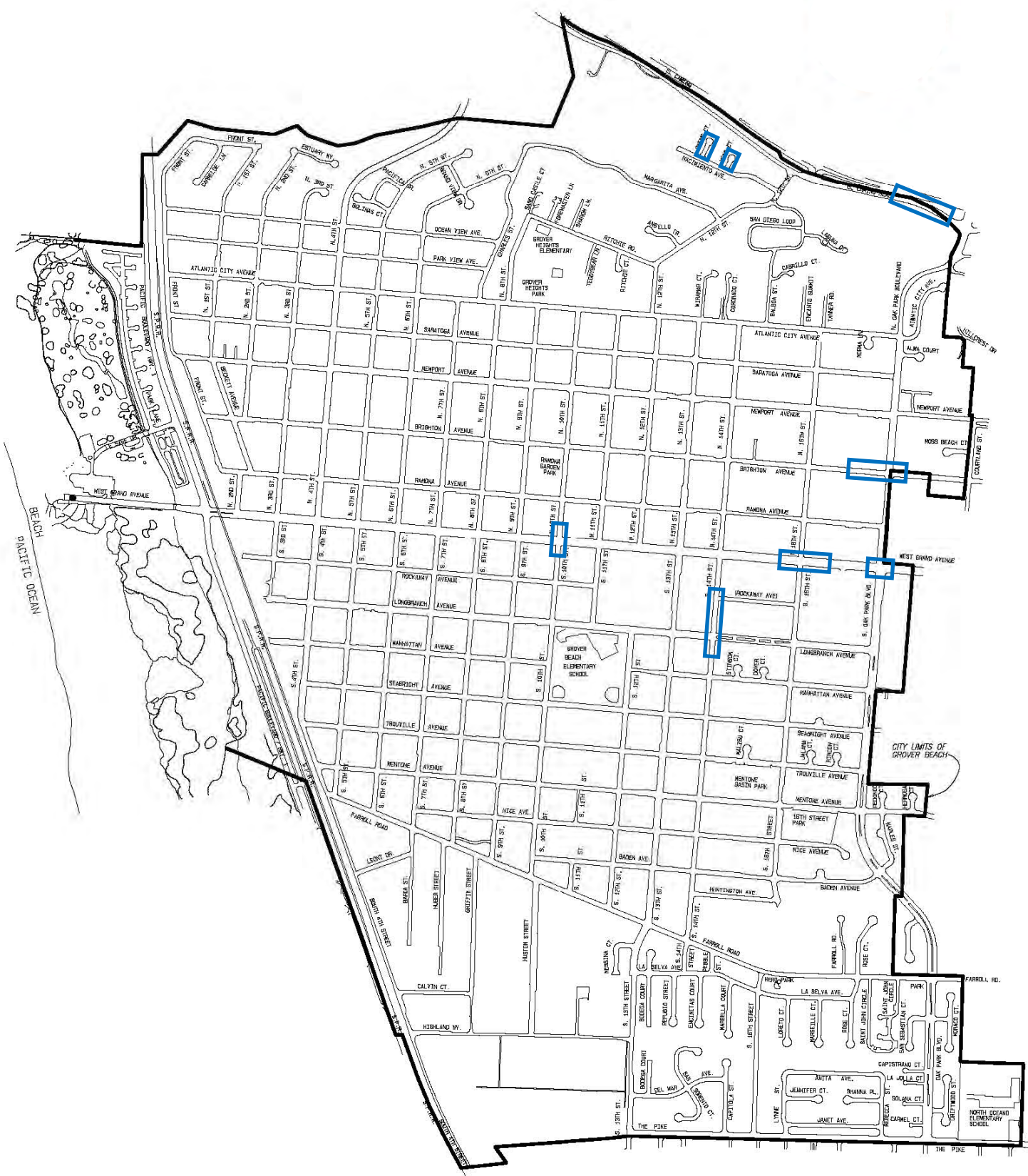
Sealed Bids Received from:

No.	Company Name & Address	Total Base Bid
1	R. Baker Inc. P.O. Box 419 Arroyo Grande, CA 93421	As Opened: \$401,762.50 Corrected bid: \$404,175.50
2	Souza Construction P.O. Box 3810 San Luis Obispo, CA 93403	As Opened: \$459,879.00 Corrected bid: \$474,679
3	Brough Construction, Inc. 643 Printz Road Arroyo Grande, CA 93420	As Opened: \$534,141.00
4	JJ Fisher Construction, Inc. P.O. Box 2219 Nipomo, CA 93444	As Opened: \$561,861.54 Corrected bid: \$571,220.54
5	Raminha Construction, Inc. 11505 Halcon Road Atascadero, CA 93422	As Opened: \$648,760.00
6	MainLine Engineering 228 Amhurst Pl. Lompoc, CA 93436	As Opened: \$720,150.00



City of Grover Beach

2021 Water Main Project, CIP 4004



Approvals/workflow 1. Dept Head 2. Admin Svcs 3. City Council 4. City Manager	City of Grover Beach BUDGET ADJUSTMENT REQUEST	Budget JE #
	PW additional \$91,050 appropriation for Project 4004 using Water Bond Proceeds	AGENDA DATE 12/13/2021

DESCRIPTION	Account #	PROJECT/GRANT #	AMOUNT
REVENUE SOURCES			
Water Fund	81-000-30000-000		\$91,050
TOTAL REVENUES			\$91,050
EXPENDITURE USES			
Construction	81-900-58030-000	4004	\$91,050
TOTAL EXPENDITURES			\$91,050

JUSTIFICATION: (attach letter if required) - PW request- Total estimated project cost \$587,000 (FY 22 budget \$333,000 + FY 21 C/O 162,950 + Bar #1 91,050 water bond proceeds)

See Dec 13 Staff report for detail explanation

REQUESTED BY:

REVIEWED & APPROVED BY:

Date Department Head

Date Administrative Services

APPROVED by the City Council of the City of Grover Beach, State of

California, this 13th day of December 2021 Agenda Item No. 10

ATTEST: _____
City Clerk

APPROVED BY:

Date City Manager