



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** December 2, 2019

FROM: Matthew Bronson, City Manager

PREPARED BY: Greg Ray, Public Works Director/City Engineer
Erin Wiggin, CIP Project Manager

SUBJECT: Award of Construction Contract: Community Development Block Grant (CDBG) Water Main Project (CIP 4267)

RECOMMENDATION

Award a contract for construction of CIP 4267 to upgrade 2" and 4" water mains funded by the Community Development Block Grant (CDBG) program to Brough Construction in the amount of \$684,270; authorize the City Manager to sign and affirm construction change orders up to an aggregate of \$102,640; 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 are now very old and have outlived their useful life. In addition, they can no longer provide adequate pressures and flow.

In 2017, the City was awarded a grant from the Community Development Block Grant (CDBG) program in the amount of \$1.6 million for upgrades to the water system in the census tract located near Grover Beach Elementary School. This is the second CDBG-funded water main replacement project and following completion the City will have replaced the majority of 2" and 4" mains identified as priorities but the terms of the CDBG grant limit the project boundary to census tracts that meet low income targets as defined in the grant. Other 2" and 4" mains needing replacement remain outside of that area, so additional City funding will be needed to replace the remainder of the 2" and 4" mains as well as larger mains identified as deficient throughout the city. The goal is to assure the City's water system is capable of producing adequate pressure and flow for domestic use and fire protection purposes. A secondary benefit is that this grant funding will allow the City to replace a number of deficient water mains in advance of repairing streets as part of the Measure K-14 street rehabilitation work.

This project includes waterline upgrades to waterline segments at the following locations as shown on the map in Attachment 2:

- Trouville Avenue between South 10th Street and South 13th Street
- Seabright Avenue from South 13th Street to South 14th Street
- Manhattan Avenue from South 13th Street to South 14th Street
- Stinson, Dover, Malibu, Jalama, and Rincon Courts

The City opened bids for the project on November 18th and received ten bids ranging from \$684,270 to \$889,617. Brough Construction submitted the apparent low bid and based on subsequent review and evaluation by City staff, staff has determined that Brough Construction has submitted the lowest responsive bid and that they are qualified and capable of performing the work as specified in the contract. For this reason, staff is recommending the Council award the construction contract to Brough Construction.

FISCAL IMPACT

The CDBG program grant award provided funds for construction of CIP 4267. Brough's bid was below the engineer's estimate for this project. Staff is seeking approval to include additional water main upgrades or increase the scope of the project to fully utilize the remainder of the CDBG funding awarded to the City.

ALTERNATIVES

The Council has the following alternatives to consider:

1. Award the contract for construction of CIP 4267, upgrade of 2" and 4" water mains, funded by a grant from the CDBG program to Brough Construction in the amount of \$684,270; authorize the City Manager to sign and affirm construction change orders up to an aggregate of \$102,640; and authorize the Mayor to execute the contract on behalf of the City; or
2. Provide direction to staff to seek the services of other consultants to provide professional design engineering services; or
3. Provide staff with additional direction.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Bid Results
2. Project Map

City of Grover Beach Bid Opening Results

Bid Opening Date: CBBG Waterline Replacement Project, CIP 4267 (2019)

Bids for: Monday, November 18, 2019 @ 2:00 p.m.

Sealed Bids Received from:

No.	Company Name & Address	Total Base Bid (Page 7)
1	Raminha Consturction Inc. 6805 Sycamore Road Atascadero, CA 93422	\$728,890.00
2	Cedro Construction Inc. 120 East Santa Maria Street Santa Paula, CA 93060	\$779,664.00
3	Seamair Construction Inc. P.O. Box 14613 San Luis Obispo, CA 93406	\$889,617.00
4	D-Kal Engineering Inc. P.O. box 1919 San Luis Obispo, CA 93406	\$736,807.00
5	R. Baker Inc. P.O. Box 419 Arroyo Grande, CA 93420	\$809,303.00
6	JMC Construction Inc. P.O. Box 5310 San Luis Obispo, CA 93403	\$865,859.00
7	S Chaves Construction Inc. 11545 Los Osos Valley Road Suite C-3 San Luis Obispo, CA 93405	\$788,280.50

***Bid results are subject to verification by engineering.**

City of Grover Beach Bid Opening Results

Bid Opening Date: CBBG Waterline Replacement Project, CIP 4267 (2019)

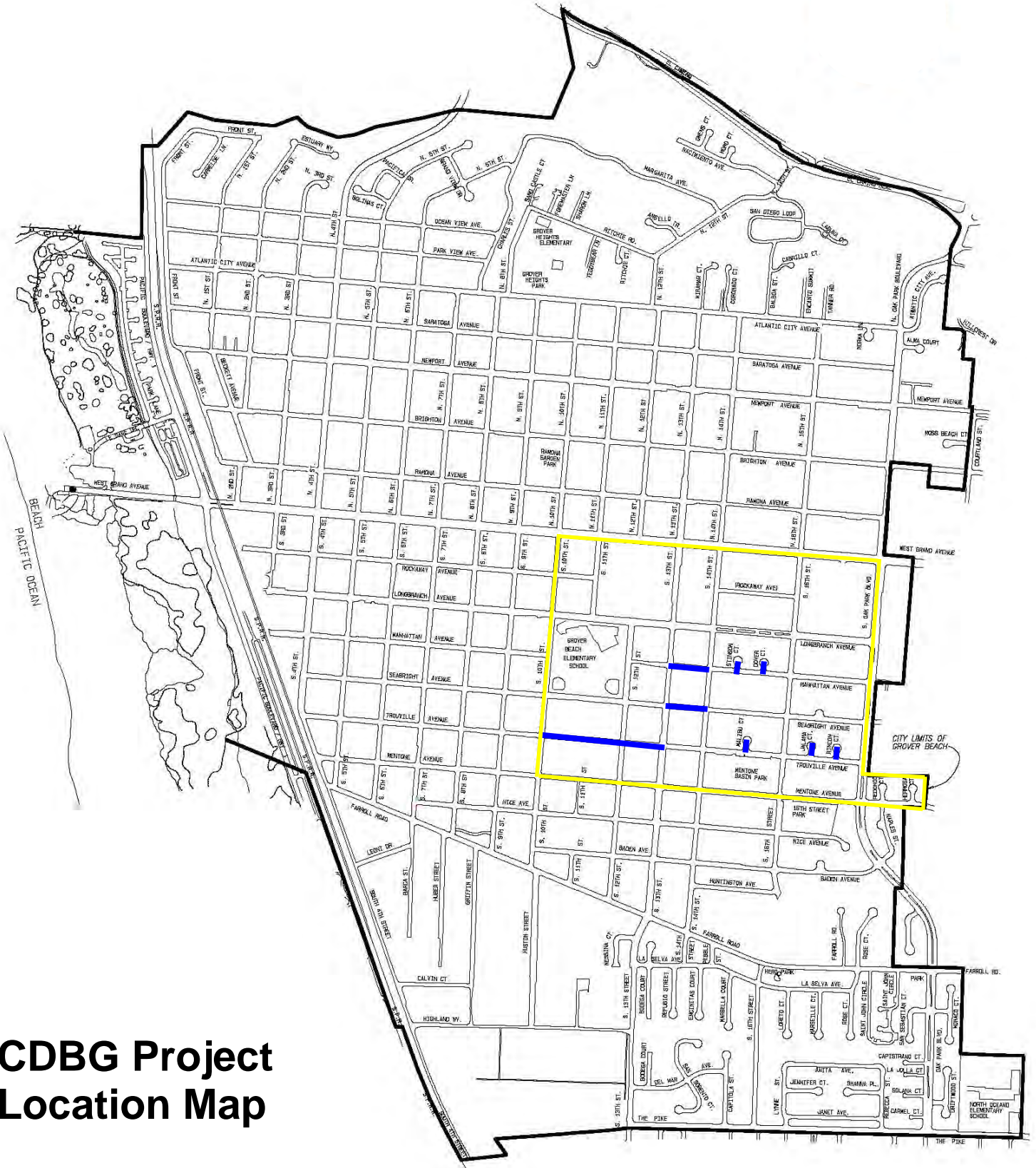
Bids for: Monday, November 18, 2019 @ 2:00 p.m.

Sealed Bids Received from:

No.	Company Name & Address	Total Base Bid (Page 7)
8	JJ Fisher Construction Inc. P.O. Box 2219 Nipomo, CA 93444	\$819,347.00
9	Specialty Construction Inc. 645 Clarion Court San Luis Obispo, CA 93401	\$760,760.00
10	BRough Construction, Inc. 634 Printz Road Arroyo Grande, CA 93420	\$684,270.00



City of Grover Beach



**CDBG Project
Location Map**