



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
January 19, 2021

TOPIC: Approve Amendment to CIP and Appropriation Adjustment, Award Construction Contract

AGENDA TITLE:

Approve an appropriation adjustment, approve an amendment to the Fiscal Year 2020-21 Capital Improvement Program, and award a construction contract to Stephen Doreck Equipment Rentals, Inc. in the amount of \$1,126,670 for the Valley Adams Neighborhood Water Main Improvements Phase 2 Project with an estimated total delivery cost of \$1,577,338 (Project No. 21-6457) (Non-General Fund)

RECOMMENDED ACTION

1. Approve an appropriation adjustment to recognize \$1,577,338 in the Water Fund, Public Works Water Revenue, Prior Year Carryforward revenue account and appropriate the same amount to the Acquisition & Construction, Water Utility Capital Projects, Water Capital Project expenditure account.
2. Approve an amendment to the Fiscal Year 2020-21 Capital Improvement Program to include \$1,577,338 in construction funds for the Valley Adams Neighborhood Water Main Improvements Phase 2 project.
3. Award a construction contract to Stephen Doreck Equipment Rentals, Inc., the lowest responsible bidder, in accordance with the base bid in the amount of \$1,126,670, for construction of the Valley Adams Neighborhood Water Main Improvements Phase 2 Project, for the term beginning January 19, 2020 and ending upon project completion, and authorize the City Manager to execute the contract subject to nonsubstantive changes approved by the City Manager and the City Attorney.
4. Approve the Project Cost Analysis for a total estimated construction delivery cost of \$1,577,338, which includes \$1,126,670 for the construction contract, \$225,334 for contract administration, inspection and testing; and a \$225,334 project contingency for unanticipated or unforeseen work.

DISCUSSION

Public Works Water Resources staff monitors the condition of water main pipelines by assessing critical factors such as history of breaks, pipe size, alignment, location, and system redundancy to determine replacement priorities. The existing 6-inch diameter cast iron water main in the Valley Adams Neighborhood, which was installed in the 1960s, has been experiencing a number of significant breaks and leaks, and has been identified for priority replacement (Exhibit 1). The proposed appropriation adjustment and Capital Improvement Projects amendment provide for the replacement of these deteriorated and undersized water facilities (Exhibit 2).

The water system improvements will include approximately 2,900 linear feet of new 8-inch polyvinyl chloride water main, fire hydrants, water services, appurtenances, asphalt concrete pavement, and traffic striping. Once completed, water service reliability and general service quality will improve significantly. In addition, the potential for disruption due to water main breaks will be substantially reduced.

Public Outreach and Contractor Participation

To provide an opportunity for local vendors to submit bids, a Notice Inviting Bids was advertised in the Orange County Register newspaper on September 18 and September 19, 2020. The project was also advertised in PlanetBids from September 17, 2020 through October 22, 2020. Bids were received electronically via PlanetBids on October 22, 2020.

A total of 263 vendors, including vendors in the City of Santa Ana, were notified of the project via PlanetBids. Forty-seven vendors requested bidding documents and nine responsive bids were received. Bids were not received from any Santa Ana contractors.

Stephen Doreck Equipment Rentals, Inc. submitted the lowest responsive bid in the amount of \$1,126,670 (Exhibit 3). Based on the bid analysis and a contractor's reference check, staff recommends awarding the construction contract to Stephen Doreck Equipment Rentals, Inc., in the amount bid (Exhibit 4).

Bid Results Summary

RANK	BIDDER'S NAME	LOCATION	BASE BID
1	Stephen Doreck Equipment Rentals, Inc.	Pico Rivera	\$ 1,126,670.00
2	Excel Paving Co.	Long Beach	\$ 1,146,906.00
3	Colich & Sons L.P.	Gardena	\$1,174,495.00
4	All Cities Engineering, Inc.	Jurupa Valley	\$1,200,345.00
5	CHI Construction	Anaheim	\$1,215,700.00

RANK	BIDDER'S NAME	LOCATION	BASE BID
6	J.A. Salazar	La Habra	\$1,225,523.80
7	Lonerock, Inc.	Irvine	\$1,399,430.00
8	TE Roberts, Inc.	Orange	\$1,486,860.00
9	Christensen Brothers General Engineering	Apple Valley	\$1,705,930.00

Project Delivery

To deliver a complete project, in addition to the construction contract, the estimated total project delivery cost includes construction administration, inspection, and testing, along with an allowance for contingencies to account for unexpected or unforeseen conditions. Construction administration and inspection includes construction management; implementation of the City's Community Workforce Agreement requirements; inspection of the contractor's work to ensure contract compliance, workmanship, and quality; and materials testing. As indicated in the Cost Analysis (Exhibit 5) and as summarized in the table below, the estimated total construction delivery cost of the project is \$1,577,338.

Project Item	Total
Construction Contract	\$1,126,670
Construction Administration, Inspection, Testing	\$225,334
Contingencies	\$225,334
TOTAL CONSTRUCTION DELIVERY COST	\$1,577,338

ENVIRONMENTAL IMPACT

In accordance with the California Environmental Quality Act, the recommended actions are exempt from further review. Categorical Exemption Environmental Review No. ER-2020-100 was filed for the project.

FISCAL IMPACT

As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$1,577,338, which includes construction, contract administration, inspection, testing, design engineering, and an authorized contingency of \$225,334. Approval of the Appropriation Adjustment will recognize \$1,577,338 in Public Works Water Revenue, Prior Year Carryforward revenue account (No. 06017002-50001) and appropriate the same amount into the Acquisition & Construction Fund, Water Utility Capital Projects, Water Capital Project expenditure account (No. 06617647-66301). All funds are scheduled for expenditure in Fiscal Year 2020-21.

The following table summarizes the funds budgeted for expenditure to deliver construction of this project.

Fiscal Year	Accounting Unit - Account No. (Project No.)	Fund Description	Accounting Unit - Account No. Description	Amount
2020-21	06617647-66301 (21-6457)	Acquisition & Construction	Water Utility Capital Projects, Water Capital Project	\$1,577,338
Total				\$1,577,338

EXHIBIT(S)

1. Location Map
2. Amended 20/21 CIP Sheet
3. Bid Proposal
4. Construction Contract
5. Cost Analysis

Submitted By:
Nabil Saba, Executive Dir Public Works

Approved By: Kristine Ridge, City Manager