



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**April 19, 2022**

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**TOPIC:** Lincoln Avenue Water and Sewer Main Improvements

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**AGENDA TITLE**

Approve Appropriation Adjustment, Budget Reallocation, and Award a Construction Contract to Big Ben, Inc. in the Amount of \$1,453,765 for the Lincoln Avenue Water and Sewer Main Improvements Project, with an Estimated Project Delivery Cost of \$2,000,000 (Project No. 22-6468 and 22-6620) (Non-General Fund)

**RECOMMENDED ACTION**

1. Approve an appropriation adjustment to recognize \$500,000 of prior-year fund balance 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. *(Requires five affirmative votes)*
2. Award a construction contract to Big Ben, Inc., the lowest responsible bidder, in accordance with the base bid in the amount of \$1,453,765, for construction of the Lincoln Water and Sewer Main Improvements Project, for the term beginning April 19, 2022 and ending upon project completion, and authorize the City Manager to execute the contract subject to non-substantive changes approved by the City Manager and the City Attorney.
3. Approve the Project Cost Analysis for a total estimated construction delivery cost of \$2,000,000, which includes \$1,453,765 for the construction contract, \$218,000 for contract administration, inspection and testing, \$100,000 for water engineering, and a \$228,235 project contingency for unanticipated or unforeseen work.
4. Approve an amendment to the Fiscal Year 2021-22 Capital Improvement Program to include \$500,000 in construction funds for the Lincoln Avenue Water and Sewer Improvements Project.

## **DISCUSSION**

The Public Works Agency's Water Resources Division 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 water main on Lincoln Avenue, as well as sewer laterals, have been identified for replacement (Exhibit 1).

The improvements include a new polyvinyl chloride (PVC) water main, fire hydrants, water services, sewer laterals, 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 February 26 and March 5, 2022. The project was also advertised on PlanetBids, and bids were received electronically via PlanetBids on March 17, 2022.

The City notified a total of 647 regional vendors via PlanetBids, 21 of which are Santa Ana based. Fifty-eight vendors requested bidding documents. A total of four bids were received. However, no bids were received from Santa Ana contractors.

### **Bid Results Summary**

RANK	BIDDER'S NAME	LOCATION	BASE BID
1	Big Ben, Inc.	Irvine	\$1,453,765
2	Excel Paving Co.	Long Beach	\$1,674,170
3	DOJA INC.	Ontario	\$2,100,000
4	Colich & Sons L.P.	Gardena	\$2,654,475

All four bids were deemed responsive. Big Ben, Inc. submitted the lowest responsive base bid, in the amount of \$1,453,765 (Exhibit 2). As specified in the bid documents, the lowest bid shall be determined on the basis of the Base Bid. Based on the bid analysis and a contractor's reference check, staff recommends awarding the construction contract to Big Ben, Inc. in the amount of the base bid totaling \$1,453,765 (Exhibit 3). Big Ben, Inc. has completed the Centennial Park Neighborhood Water Main Improvements and the Baker-Glenwood Sewer Main Improvements projects in the City.

### 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 the following: 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 4) and as summarized in the table below, the estimated total construction delivery cost of the project is \$2,000,000.

Project Item	Total
Construction Contract	\$1,453,765
Construction Administration, Inspection, Testing	\$218,000
Contingencies	\$228,235
Water Engineering	\$100,000
<b>TOTAL CONSTRUCTION DELIVERY COST</b>	<b>\$2,000,000</b>

Approval of the amendment to the FY 2021-22 Capital Improvement Program (Exhibit 5) will officially incorporate this project into the program.

### **ENVIRONMENTAL IMPACT**

In accordance with the California Environmental Quality Act, the recommended actions are exempt from further review. Categorical Exemption Environmental Review No. ER-2021-79 was filed for the project.

### **FISCAL IMPACT**

As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$2,000,000, which includes the construction contract, contract administration, inspection, testing, and project contingency. Approval of the requested appropriation adjustments will recognize sufficient funds to complete the funding to deliver the project (Exhibit 5).

Recognize \$500,000 from Water Fund, Public Works Water Revenue, Prior Year Carryforward revenue account (No. 06017002-50001) and appropriate the same amount to the Acquisition & Construction, Water Utility Capital Projects, Water Capital Project expenditure account (No. 06617647-66301)

The following table summarizes the funds budgeted and available for expenditure to deliver construction of this project. Any remaining balances not expended at the end of the fiscal year will be carried forward for expenditure in the following fiscal year, if needed.

<b>Fiscal Year</b>	<b>Accounting Unit – Account No.</b>	<b>Fund Description</b>	<b>Accounting Unit – Account No. Description</b>	<b>Amount</b>
<b>Prior Authorized Funds</b>				
2021-22	06617647-66301 (22-6468)	Acquisition & Construction	Water Utility Capital Projects, Water Capital Project	\$800,000
2021-22	05417647-66220 (22-6620)	Sanitary Sewer Capital	Capital Recovery Charges, Improvements Other Than Building	\$700,000
<b>Appropriation Adjustments</b>				
2021-22	06617647-66301 (22-6468)	Acquisition & Construction	Water Utility Capital Projects, Water Capital Project	\$500,000
<b>TOTAL:</b>				<b>\$2,000,000</b>

**EXHIBIT(S)**

1. Location Map
2. Bid Proposal
3. Construction Contract
4. Cost Analysis
5. FY 2021-22 Capital Improvement Program Sheet

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager