TO:      HONORABLE CITY COUNCIL
FROM:   CITY MANAGER  DEPARTMENT: PUBLIC WORKS
DATE:  JUNE 11, 2007  CMR:249:07
SUBJECT: APPROVAL OF AN ENTERPRISE FUND CONTRACT WITH CASEY
CONSTRUCTION, INC., IN THE AMOUNT OF $585,034 FOR THE
STORM DRAIN REHABILITATION AND REPLACEMENT PROJECT
PHASE I – CAPITAL IMPROVEMENT PROGRAM PROJECT SD-06101

RECOMMENDATION

Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute the attached contract
with Casey Construction, Inc., in the amount of $585,034 for the Storm Drain
Rehabilitation and Replacement Project Phase I – Capital Improvement Program Project
SD-06101.

2. Authorize the City Manager or his designee to negotiate and execute one or more change
orders to the contract with Casey Construction, Inc., for related, additional but unforeseen
work which may develop during the project, the total value of which shall not exceed
$58,503.

BACKGROUND
In 2005, the property owners of Palo Alto voted to increase their monthly storm drain fee to fund
a number of storm drain related projects including an increased budget for annual storm drain
rehabilitation and replacement. This project is this year’s use of the rehabilitation and
replacement funds.

DISCUSSION
Project Description
A project location and overview map is shown on Attachment B. The majority of the work to be
performed under the contract is intended to alleviate the chronic street flooding problem at North
California Avenue and Barbara Drive during heavy rains. The existing corrugated metal drainage
pipe has seriously deteriorated due to rust and is undersized to handle the storm runoff that drains
to it. This project will replace a portion of the existing 15” diameter corrugated metal pipe with
a 2’x 4’ reinforced concrete box culvert. The remainder of the deteriorated metal pipe will be
lined and reinforced with a rigid plastic liner. This contract also covers storm drain repairs on
Page Mill Road, Colorado Avenue, and Channing Avenue that are relatively minor in scale but
needed to correct pipeline defects prior to planned street resurfacing. The two add alternate items included in this contract are for lining of deteriorated corrugated metal pipeline segments along Newell Road. Work is expected to start in mid-June and be completed by the end of August.

Project Coordination
The work included in this project has been coordinated with the City’s street maintenance program and does not directly impact any other utility or street resurfacing project. This work has been planned to take place prior to the scheduled pavement resealing on North California, Channing, and Colorado Avenues.

Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>Storm Drain Rehabilitation and Replacement Project Phase 1, Capital Improvement Program Project SD-06101 / IFB #117101</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>60 calendar days</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>11</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>10</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>18</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>No</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
<td>N/A</td>
</tr>
<tr>
<td>Number of Bids Received:</td>
<td>4</td>
</tr>
<tr>
<td>Bid Price Range *</td>
<td>From a low of $585,034 to a high of $745,980</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment C.

Staff has reviewed all bids submitted and recommends that the bid of $585,034 submitted by Casey Construction, Inc., be accepted and that Casey Construction, Inc., be declared the lowest responsible bidder. The bid is 14% below the engineer's estimate of $624,267. The change order amount of $58,503 (which equals 10% of the total contract) is requested to resolve unforeseen problems and/or conflicts that may arise during the construction period. Staff confirmed with the Contractor's State License Board that the contractor has an active license on file.

**RESOURCE IMPACT**
Funding for the Storm Drain Rehabilitation and Replacement Phase I Project is available in Storm Drainage Capital Improvement Program Project SD-06101. Partial funding for the award of this contract will come from the 2007-08 adopted budget of Project SD-06101. Project SD-06101 is funded annually on an ongoing basis in order to finance enhanced maintenance of the City’s existing storm drain system by replacing or rehabilitating deteriorated components. The project is funded by the Storm Drainage Fee increase approved by property owners in 2005.

**POLICY IMPLICATIONS**
This recommendation does not represent any changes to existing City policies.
ENVIRONMENTAL REVIEW
This project has been determined to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15301 of the CEQA Guidelines as repair, maintenance, and/or minor alteration of an existing facility and no further environmental review is necessary.

ATTACHMENTS
Attachment A: Contract
Attachment B: Project Location Map
Attachment C: Bid Summary
Attachment D: Certification of Nondiscrimination

PREPARED BY: MATTHEW H. BRUNNINGS
Associate Engineer

DEPARTMENT HEAD: GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL: EMILY HARRISON
Assistant City Manager

cc: Cristina Regalia, Jordan Middle School principal
Cheryl Damato, Stratford School principal
Judyann Edwards, Leland Manor Neighborhood Association
Storm Drain Oversight Committee