

Meeting Date: 4.9.13

# AGENDA REPORT

Agenda Item # 8.A



City of Santa Clara, California



**Date:** April 2, 2013  
**To:** City Manager for Council Action  
**From:** John C. Roukema, Director of Electric Utility  
**Subject:** Award of Public Works Contract 2116C for Unit Price Bidding and Construction of the De La Cruz Junction Railroad Undercrossing and Kenneth Substation Offsite Storm Drain Force Main Construction Project to Ranger Pipelines, Inc.

## EXECUTIVE SUMMARY:

The City of Santa Clara's Electric Department, Silicon Valley Power (SVP), is undertaking a significant capital construction program for electric transmission, substation and distribution facilities over the next three to five years. This work is necessary to meet customer demand for increased electric load while maintaining SVP's high service reliability to the utility's customers.

De La Cruz Junction and the Kenneth Substation are complete and in service. However, both facilities require some off site work to be completed. The work includes a storm water force main for Kenneth Substation, and railroad undercrossing as an alternative control power source to De La Cruz Junction. Due to the similar requirements for both project elements, City staff combined both portions into a single Public Works contract (Project 2116C) to minimize contract administrative costs. .

On August 21, 2012, Council approved the plans and specifications and the advertising for bid of the De La Cruz Junction Railroad Undercrossing and Kenneth Substation Offsite Storm Drain Force Main Construction Project. The project has been bid three times. No bidders responded to the first date citing licensing as an issue. The licensing was revised on an addendum. The second bid opening date resulted in a bid from Underground Construction as the only bidder. After some discussion, staff rejected the bid and the project was rebid. The third bid opening was on February 13, 2013 which resulted in only one bidder Ranger Pipelines, Inc. The Engineer's estimate for the work, and the bid received, are as follows:

<b>Engineers Estimate:</b>	<b>\$478,522.00</b>
Ranger Pipelines, Inc.	\$625,666.00

Ranger Pipelines, Inc. was the apparent low bidder for the project. Their bid has been reviewed and determined to be the lowest responsive, responsible bidder. It should be noted that the Bid Summary sheet lists a bid of \$656,263, however during the review of the bid, an adjustment in labor cost was required, the Bid Form 00400 was revised, bringing the corrected lump sum bid total to \$625,666. The adjusted total of the bid of \$625,666.00 is \$147,144.00 above the Engineer's Estimate of \$478,522.00 for the project. Staff recommends award of the Public Works Contract 2116C for De La Cruz Junction Railroad Undercrossing and Kenneth Substation Offsite Storm Drain Force Main Construction Project. Copies of the Bid Summary and the Ranger Pipelines, Inc. Bid Form are attached to this memo. The Notice of Award is also attached and ready to be issued to Ranger Pipelines, Inc. for the construction contract.

**ADVANTAGES AND DISADVANTAGES OF ISSUE:**

Award of Public Works Contract 2116C for the construction of De La Cruz Junction Railroad Undercrossing and the Kenneth Substation Offsite Storm Drain Force Main will allow the City to complete the off site work required for both of these projects. There are no identified disadvantages with this issue.

**ECONOMIC/FISCAL IMPACT:**

The cost of the proposed Public Works Contract 2116C, based on the winning bid is \$625,666.00. Funding for this Project is available in the Electric Department Capital Project De La Cruz Junction Substation 60kV, account 591-1361-80300-2116-[A]00005-[F]36600 (\$312,833.00) and Project Kenneth Substation account 591-1361-80300-2117-[A]00037-[F]36200 (\$312,833.00)

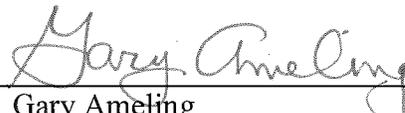
**RECOMMENDATION:**

That the Council:

1. award Public Works Contract 2116C for Unit Price Bidding and Construction of the De La Cruz Junction Railroad Undercrossing and Kenneth Substation Offsite Storm Drain Force Main Construction Project to Ranger Pipeline, Inc., in an amount not to exceed \$625,666.00;
2. approve and authorize the City Manager to execute the contract documents on behalf of the City; and
3. authorize the City Manager to direct staff to issue the Notice of Award,

  
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John C. Roukema  
Director of Electric Utility

Certified as to Availability of Funds: *OK. 4*  
Acct. 591-1361-80300-2116      \$312,833.00  
Acct. 591-1361-80300-2117      \$312,833.00

  
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Gary Ameling  
Director of Finance

APPROVED:

  
\_\_\_\_\_  
Julio J. Fuentes  
City Manager

MAJORITY VOTE OF COUNCIL

**Documents Related to this Report:**  
*None*