SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-B**

FROM: Steve Mack, General Manager

Meeting Date : May 4, 2017

Subject: AWARD OF 2017 CIP PHASE 1 CONSTRUCTION CONTRACT

RECOMMENDED ACTION: Approve Resolution 17-06 which conditionally awards the 2017 CIP Phase 1 construction contract to Piazza Construction for a not to exceed amount of $729,305, waives any and all non-conformance in the bid of Piazza Construction, and authorizes the General Manager to approve change orders for a total amount not to exceed $66,300 with no single change order exceeding $25,000.

FISCAL IMPACT: $663,005 plus up to $66,300 in possible change orders for a total amount of $729,305.

DISCUSSION:

Replacement of aging water main infrastructure is an important activity of the Sweetwater Springs Water District. Toward that end the District has developed a multiyear capital improvement program that has prioritized the capital infrastructure that needs to be replaced or improved. The District is currently working on the FY 2017 CIP, Phase 1, which includes replacement of approximately 2200 ft of existing main and 17 services on River Rd from Rio Nido to Old River Road near Outlet Drive..

This construction project was advertised on March 10, 2017, and 1 bid was received and opened on April 24, 2017 at 2 pm in accordance with bid instructions. The project had an Engineer's Estimate of Probable Cost of $674,476. The bidder and bid amounts are shown in Table 1 below. After careful review and analysis of the bid by Piazza Construction (Piazza), staff is recommending awarding the bid to Piazza. Piazza has done good work for the District in the past and the bid amount is below the Engineer's Estimate of Probably Cost.

Table 1. 2017 Capital Improvement Project, Phase 1, Bid Summary	
Bidder Name	Bid Amount
Piazza Construction	$663,007

Coastland Engineers checked the unit cost math and came up with a bid amount of $663,005 which reflects rounding errors in the bid tabulation worksheet. Because of this, $663,005 will be the contract amount.

The work authorized under this contract is scheduled to start within 10 days of notice to proceed and, according to the contract, will be completed within 90 working days of the

notice to proceed. The work involves repair, replacement and/or reconstruction of existing water main distribution lines, and the installation of water "services" and fire hydrants. The work is in the same general location as existing facilities and will result in no expansion of system capacity. The work is part of the District's Capital Improvement Program and will provide important and necessary improvements to the District's distribution system.

In summary, the total award amount for the construction contract is $729,305 which is approximately $54,579 above the Engineer's Estimate of probable cost of $674,479. The staff recommendation includes the bid amount of $663,005 by Piazza Construction, and authorization for the General Manager to approve up to $66,300 in total change order authority for work not anticipated by the contract with no single change order exceeding $25,000. Construction management and inspection costs for the project are estimated at $110,000. This puts the entire project cost at $839,305 including the total change order amount.

Staff recommends approval of Resolution 17-06 which conditionally awards the 2015 CIP construction contract to Piazza Construction for a not to exceed amount of $729,305 and authorizes the General Manager to approve change orders for an amount not to exceed $66,300, with no single change order exceeding $25,000. The conditions of the bid award include Piazza Construction's timely delivering a duly executed Project contract and submitting all required documents, including properly executed bonds, certificates of insurance and endorsements, pursuant to the Project bid documents.

Resolution No. 17-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT AWARDING THE CONTRACT FOR THE FY 2017 CAPITAL IMPROVEMENT PROJECT, PHASE 1, TO PIAZZA CONSTRUCTION IN THE SUM OF $663,005, AND AUTHORIZING THE GENERAL MANAGER TOTAL CHANGE ORDER APPROVAL OF $66,300 AND SINGLE CHANGE ORDER APPROVAL UP TO $25,000

WHEREAS, District staff, including consulting engineering services employed by the District, prepared construction bid documents and advertised for construction of the FY 2017 Capital Improvement Project, Phase 1 ("Project"); and

WHEREAS, District staff solicited bids for the Project on March 10, 2017; and

WHEREAS, on April 24, 2017, one bid was received and opened in accordance with the bid instructions; and

WHEREAS, the bid for the Project from Piazza Construction was in the amount of $663,007, and

WHEREAS, Coastland Engineering, the engineer for this Project, found math errors in the bid tabulation sheet that changed the allowable bid amount to $663,005, and

WHEREAS, Piazza Construction has the certifications required for potable water line installation and meets the requirements stated in the bidding instructions for experience and certification of employees with HDPE pipe and fittings installations, and

WHEREAS, the Project involves the replacement or reconstruction of existing facilities and will result in negligible or no expansion of capacity, thus the Project is exempt from environmental review, pursuant to the California Environmental Quality Act ("CEQA") and Title 14, the California Code of Regulations ("CEQA Guidelines"), section 15301(b) and 15302(c); and

WHEREAS, notwithstanding the above-referenced bid amount, it is anticipated that the Project will have a certain amount of unanticipated construction issues during construction necessitating change orders; and

WHEREAS, it is of importance to the contractor and District alike that construction not be unduly delayed; and

WHEREAS, the General Manager is familiar with the project and will be monitoring construction.

NOW, THEREFORE BE IT RESOLVED, that the District Board of Directors hereby:

1. Finds the bid in the amount of $663,005 BY Piazza Construction to be the lowest responsive bid and further finds that Piazza Construction is a responsible bidder; and

3. Waives any and all non-conformance in the bid of Piazza Construction for the Project; and

4. Approves the Project construction contract in the amount of $663,005; and

5. Awards the contract for the 2017 Capital Improvement Project, Phase 1, to Piazza Construction in the amount of $663,005, the amount of the lowest responsive bid, conditioned on Piazza Construction timely executing the Project contract and submitting all required documents, including, but not limited to, executed bonds, certificates of insurance, and endorsements, in accordance with the Project bid documents; and

6. Directs staff to issue a Notice of Award to Piazza Construction; and

7. Authorizes and directs the General Manager to execute the Project contract on behalf of the District upon timely submission by Piazza Construction of the signed Project contract and all other required contract documents, in accordance with the contract bid instructions; and

8. Authorizes the General Manager to approve change orders on the Project without Board approval up to $25,000 per change order, with total change order approval not to exceed $66,300.

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on May 4, 2017, by the following vote.

Director	**Aye**	**No**
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Richard Holmer	_____	_____
Gaylord Schaap	_____	_____
Pip Marquez de la Plata	_____	_____

_____
Sukey Robb-Wilder
President of the Board of Directors

_____
Attest: Julie A. Kenny
Clerk of the Board of Directors