



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 02/02/99
AGENDA ITEM 3
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: Director of Public Works
SUBJECT: Tennyson Road Lift Station Improvement and Underwood Sewer Interconnection Project: Rejection of the low bid, appropriation of funds and award of the construction contract to the lowest responsible bidder

RECOMMENDATION:

It is recommended that the City Council:

Reject the low bid from Clyde G. Steagall, Inc. based upon their failure to complete previous work with the City in the specified time;

Authorize an additional appropriation of \$350,000 for the project;

Award the construction contract to the lowest responsible bidder, John Clay General Engineering Contractor in amount of \$508,051.

BACKGROUND:

On December 8, 1998, the City Council approved plans and specifications for the Tennyson Road Lift Station Improvement and Underwood Sewer Interconnection Project, and called for bids to be received on January 12, 1999. As Council was advised in December, the project involves the modification of the Tennyson Road Lift Station to increase its capacity from 3.9 MGD (million gallons per day) to 5.1 MGD by upgrading the pumping facilities and backup generator, and modifying the wet-well and the discharge piping system. In addition to upgrading the station facilities, the project involves the installation of an overflow structure to interconnect the parallel sewers along Tennyson Road at the intersection of the Underwood Avenue sewer main to balance the system overflow condition.

On January 12, 1999, eight bids were received ranging from \$408,833 to \$1,157,900. The low bid was submitted by Clyde G. Steagall, Inc. and is 27.5 percent below the engineer's estimate of \$564,220. The second low bid, submitted by John Clay General Engineering Contractor, in the amount of \$508,051 is 9.96 percent below the engineer's estimate. Three bids were higher and five bids were lower than the engineer's estimate.

The lowest bidder, Clyde G. Steagall, Inc., has performed unreliably under two contracts with the City. On the Standby Power at Highland 250 and 500 Pump Stations and Corporation Yard/Utilities Building project, the Contractor failed to complete the work within the specified time and was assessed liquidated damages for 192 days delay. On the Emergency Water Supply Well C project, the Contractor again failed to complete the work within the specified time and was assessed liquidated damages for 52 days delay. These poor performances by the Contractor resulted in delayed use of these facilities and required considerably more City staff administrative and inspection time to assure project completion. In addition, the Contractor has failed to submit the relative project experience and documentation requested by the City for their bid on this project. Therefore, staff is recommending that the Contractor, Clyde G. Steagall, Inc. be declared a non-responsible bidder and its bid be rejected. The Contractor was informed of staff's recommendation and indicated that he would not oppose this action.

The second lowest bidder, who is the lowest responsible bidder, John Clay General Engineering Contractor, has recently completed two projects for the City within the specified time limits: the High School Reservoir Roof and the Inter-city Rail Station. Staff recommends that the construction contract be awarded to this Contractor.

DBE/WBE

The combined DBE and WBE goal established for this project was set at 6 percent. The lowest responsible bidder, John Clay General Engineering Contractor, attained 10.8 percent DBE/WBE participation. The next two lowest bidders also attained the established DBE/WBE goal.

Project Cost:

Design & Survey (for this package)	\$90,000
Contract Construction (Lift Station & Underwood Sewer)	\$508,051
Property Acquisition and Easement	\$15,000
Inspection & Administration	<u>\$35,000</u>
Total:	\$648,051

Funding:

A total of \$300,000 has been appropriated for the Tennyson Road Lift Station project in the Sewer Capital Improvement Fund in the 1998/99 Capital Improvement Program. As indicated at the time of Council's approval to call for bids, an additional appropriation of \$350,000 is necessary to award this project. Sufficient monies are available within the Sewer Capital Improvement Fund for this purpose.

Schedule:

The following tentative schedule has been developed for this project:

Award Construction Contract	February 2, 1999
Begin Construction	March 1, 1999
Construction Completion	July, 1999

Prepared by:



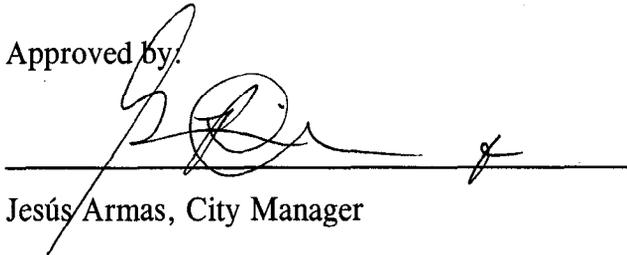
Alex Ameri, Deputy Director of Public Works

Recommended by:



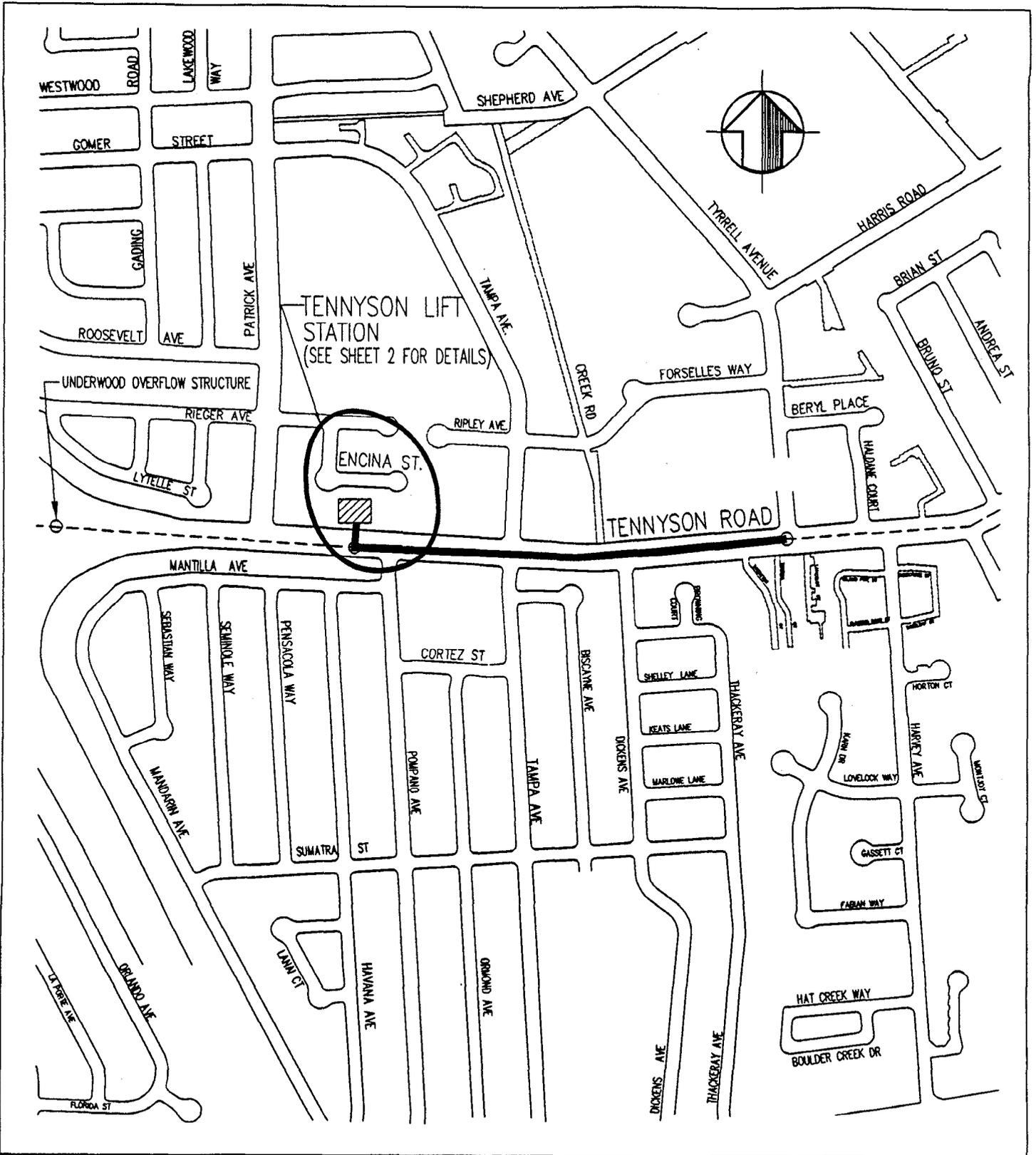
Dennis L. Butler, Director of Public Works

Approved by:



Jesús Armas, City Manager

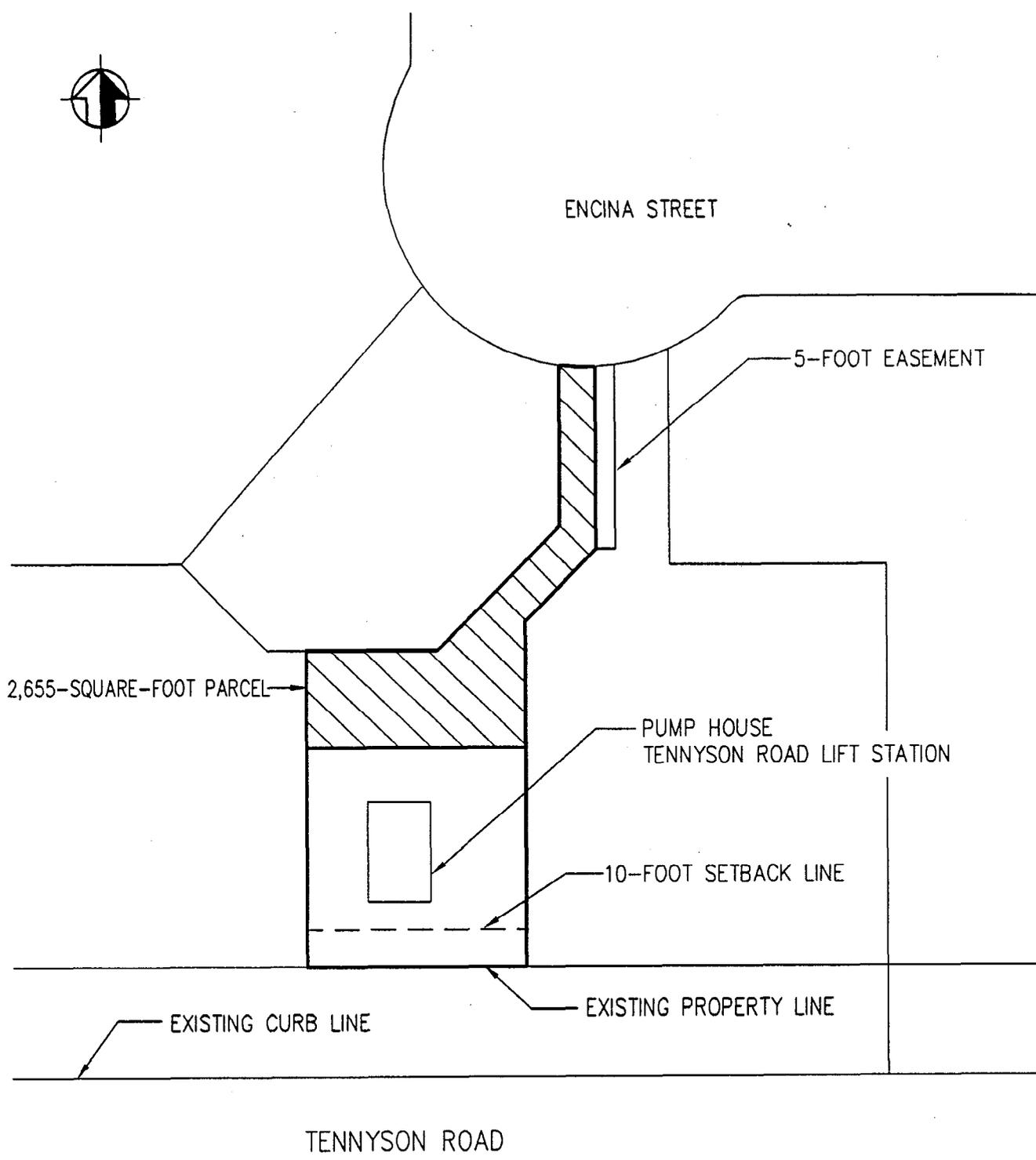
Attachments: Exhibit A - Project Location Map (Total of 2 sheets)
Exhibit B - Bid Summary (Total of 8 pages)
Draft Resolution



PROJECT LOCATION MAP

TENNYSON ROAD LIFT STATION IMPROVEMENT AND UNDERWOOD SEWER INTERCONNECTION
 PROJECT NO. 613-7502

EXHIBIT "A"
 SHEET 1 OF 2



ENCINA STREET

5-FOOT EASEMENT

2,655-SQUARE-FOOT PARCEL

PUMP HOUSE
TENNYSON ROAD LIFT STATION

10-FOOT SETBACK LINE

EXISTING CURB LINE

EXISTING PROPERTY LINE

TENNYSON ROAD

TENNYSON ROAD LIFT STATION MAP

TENNYSON ROAD LIFT STATION IMPROVEMENT
PROJECT NO. 613-7502

CITY OF HAYWARD
 TENNYSON ROAD LIFT STATION IMPROVEMENT AND
 TENNYSON/UNDERWOOD SEWER INTERCONNECT
 PROJECT NO. 7502
 BIDS OPENED: TUESDAY, JANUARY 12, 1999

(NUMBER OF BIDS RECEIVED - 8)

BID SUMMARY			ENGINEER'S ESTIMATE		CLYDE G. STEAGALL INC. 6030 KING ROAD, PO BOX 350 LOOMIS CA 95650 (916) 652-1700		JOHN CLAY GENERAL ENG. CONTR. 778 MARIN AVENUE HAYWARD CA 94541-6158 (510) 783-5820	
ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	20,000.00	20,000.00	500.00	500.00	6,300.00	6,300.00
2	1	LS	9,000.00	9,000.00	9,000.00	9,000.00	4,576.00	4,576.00
3	1	LS	4,000.00	4,000.00	11,095.00	11,095.00	6,000.00	6,000.00
4	1	LS	2,000.00	2,000.00	2,160.00	2,160.00	2,040.00	2,040.00
5	2	EA	2,500.00	5,000.00	1,560.00	3,120.00	910.00	1,820.00
6	1	LS	100,000.00	100,000.00	48,965.00	48,965.00	88,404.00	88,404.00
7	2	EA	3,500.00	7,000.00	2,150.00	4,300.00	3,195.00	6,390.00
8	1	LS	25,000.00	25,000.00	58,774.00	58,774.00	49,384.00	49,384.00
9	100	LF	40.00	4,000.00	24.00	2,400.00	28.75	2,875.00
10	1	EA	1,000.00	1,000.00	1,200.00	1,200.00	1,265.00	1,265.00
11	43	LF	40.00	1,720.00	100.00	4,300.00	27.00	1,161.00
12	1	LS	6,000.00	6,000.00	4,500.00	4,500.00	11,600.00	11,600.00
13	2,100	SF	15.00	31,500.00	8.00	16,800.00	8.42	17,682.00
14	25	TON	150.00	3,750.00	60.00	1,500.00	138.00	3,450.00
15	2,500	SF	5.00	12,500.00	3.25	8,125.00	5.00	12,500.00
16	1	LS	60,000.00	60,000.00	47,610.00	47,610.00	92,990.00	92,990.00
17	1	LS	65,000.00	65,000.00	89,832.00	89,832.00	62,181.00	62,181.00
18	1	LS	85,000.00	85,000.00	34,567.00	34,567.00	35,218.00	35,218.00

EXHIBIT B - PAGE 1 OF 8

CITY OF HAYWARD
 TENNYSON ROAD LIFT STATION IMPROVEMENT AND
 TENNYSON/UNDERWOOD SEWER INTERCONNECT
 PROJECT NO. 7502
 BIDS OPENED: TUESDAY, JANUARY 12, 1999

(NUMBER OF BIDS RECEIVED - 8)

BID SUMMARY			ENGINEER'S ESTIMATE		CLYDE G. STEAGALL INC. 6030 KING ROAD, PO BOX 350 LOOMIS CA 95650 (916) 652-1700		JOHN CLAY GENERAL ENG. CONTR. 778 MARIN AVENUE HAYWARD CA 94541-6158 (510) 783-5820	
ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
19	1	LS	15,000.00	15,000.00	500.00	500.00	7,535.00	7,535.00
		CONSTRUCTION AREA SIGNS, TRAFFIC CONTROL SYSTEM (UNDERWOOD SEWER)						
20	1	LS	5,000.00	5,000.00	500.00	500.00	5,250.00	5,250.00
		TRENCH SHORING AND TRENCH SAFETY (UNDERWOOD SEWER)						
21	2	EA	4,000.00	8,000.00	780.00	1,560.00	1,095.00	2,190.00
		MODIFY EXISTING MANHOLES (UNDERWOOD SEWER)						
22	70	LF	600.00	42,000.00	95.00	6,650.00	455.00	31,850.00
		18 IN. SANITARY SEWER PIPE (UNDERWOOD SEWER)						
23	350	SF	5.00	1,750.00	2.50	875.00	15.40	5,390.00
		ASPHALTIC CONCRETE (PAVEMENT REPLACEMENT; UNDERWOOD SEWER)						
24	1	LS	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
		ADMINISTRATIVE CHANGE ORDER						
		TOTAL BID		564,220.00		408,833.00		508,051.00

EXHIBIT B - PAGE 2 OF 8

CITY OF HAYWARD
 TENNYSON ROAD LIFT STATION IMPROVEMENT AND
 TENNYSON/UNDERWOOD SEWER INTERCONNECT
 PROJECT NO. 7502
 BIDS OPENED: TUESDAY, JANUARY 12, 1999
 (NUMBER OF BIDS RECEIVED - 8)

BID SUMMARY			ENGINEER'S ESTIMATE		RICK ARMSTRONG ENG. & BLDG 4950 BUCKLEY COVE WAY #7 STOCKTON CA 95219 (209) 955-1577		AMANA ENGIN. & CONST. INC. 730 DWIGHT WAY, #10-A BERKELEY CA 94710 (510) 845-4515			
ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL		
1	1	LS								
			TRENCH SHORING AND TRENCH SAFETY (TENNYSON RD. LIFT STATION)		20,000.00	20,000.00	10,000.00	10,000.00	30,000.00	30,000.00
2	1	LS			9,000.00	9,000.00	10,000.00	10,000.00	22,000.00	22,000.00
			DEMOLITION							
3	1	LS			4,000.00	4,000.00	10,000.00	10,000.00	12,000.00	12,000.00
			EXCAVATE & DISPOSE OF EXIST. SPOIL ON LIFT STATION SITE							
4	1	LS			2,000.00	2,000.00	10,000.00	10,000.00	5,000.00	5,000.00
			REMOVE AND SALVAGE SIREN SYSTEM							
5	2	EA			2,500.00	5,000.00	5,000.00	10,000.00	15,000.00	30,000.00
			REPLACE DRAIN INLET AND PIPING							
6	1	LS			100,000.00	100,000.00	80,000.00	80,000.00	20,000.00	20,000.00
			DISCHARGE PIPE, FITTINGS, VALVES, AND FLOW METER							
7	2	EA			3,500.00	7,000.00	10,000.00	20,000.00	25,000.00	50,000.00
			NEW MANHOLES							
8	1	LS			25,000.00	25,000.00	45,000.00	45,000.00	30,000.00	30,000.00
			NEW ENTRY GATE AND CMU WALL							
9	100	LF			40.00	4,000.00	100.00	10,000.00	50.00	5,000.00
			CHAIN LINK FENCH W/CONCERTINA WIRE							
10	1	EA			1,000.00	1,000.00	2,000.00	2,000.00	2,000.00	2,000.00
			CHAIN LINK DOUBLE SWING GATE							
11	43	LF			40.00	1,720.00	100.00	4,300.00	50.00	2,150.00
			WOOD FENCE							
12	1	LS			6,000.00	6,000.00	18,500.00	18,500.00	35,000.00	35,000.00
			CURBS, SIDEWALKS, SLUMPSTONE WALL, AND OTHER SITE WORK							
13	2,100	SF			15.00	31,500.00	7.00	14,700.00	5.00	10,500.00
			PORTLAND CEMENT CONCRETE DRIVEWAY (W/SUBBASE, ETC.)							
14	25	TON			150.00	3,750.00	160.00	4,000.00	160.00	4,000.00
			AC OVERLAY (2" THICK)							
15	2,500	SF			5.00	12,500.00	3.00	7,500.00	2.00	5,000.00
			ASPHALTIC CONCRETE (PAVEMENT REPLACEMENT; W/SUBBASE, ETC.)							
16	1	LS			60,000.00	60,000.00	60,000.00	60,000.00	20,000.00	20,000.00
			REHAB. WETWELL AND PUMP, BYPASS PUMPING, AND INSTALL LINING							
17	1	LS			65,000.00	65,000.00	97,500.00	97,500.00	95,000.00	95,000.00
			NEW PLC-BASED CONTROL PANEL, PROGRAMMING, & LEVEL CONTROLS							
18	1	LS			85,000.00	85,000.00	45,000.00	45,000.00	50,000.00	50,000.00
			GENERATOR (SALVAGE EXISTING AND INSTALL NEW)							

EXHIBIT B - PAGE 3 OF 8

CITY OF HAYWARD
 TENNYSON ROAD LIFT STATION IMPROVEMENT AND
 TENNYSON/UNDERWOOD SEWER INTERCONNECT
 PROJECT NO. 7502
 BIDS OPENED: TUESDAY, JANUARY 12, 1999
 (NUMBER OF BIDS RECEIVED - 8)

BID SUMMARY			ENGINEER'S ESTIMATE		RICK ARMSTRONG ENG. & BLDG 4950 BUCKLEY COVE WAY #7 STOCKTON CA 95219 (209) 955-1577		AMANA ENGIN. & CONST. INC. 730 DWIGHT WAY, #10-A BERKELEY CA 94710 (510) 845-4515	
ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
19	1	LS	15,000.00	15,000.00	10.00	10.00	5,000.00	5,000.00
		CONSTRUCTION AREA SIGNS, TRAFFIC CONTROL SYSTEM (UNDERWOOD SEWER)						
20	1	LS	5,000.00	5,000.00	1,000.00	1,000.00	25,000.00	25,000.00
		TRENCH SHORING AND TRENCH SAFETY (UNDERWOOD SEWER)						
21	2	EA	4,000.00	8,000.00	1,000.00	2,000.00	5,000.00	10,000.00
		MODIFY EXISTING MANHOLES (UNDERWOOD SEWER)						
22	70	LF	600.00	42,000.00	100.00	7,000.00	100.00	7,000.00
		18 IN. SANITARY SEWER PIPE (UNDERWOOD SEWER)						
23	350	SF	5.00	1,750.00	3.00	1,050.00	3.00	1,050.00
		ASPHALTIC CONCRETE (PAVEMENT REPLACEMENT; UNDERWOOD SEWER)						
24	1	LS	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
		ADMINISTRATIVE CHANGE ORDER						
		TOTAL BID		564,220.00		519,560.00 *		525,700.00

* TOTAL DIFFERENT THAN SUBMITTED BID

EXHIBIT B - PAGE 4 OF 8

CITY OF HAYWARD
 TENNYSON ROAD LIFT STATION IMPROVEMENT AND
 TENNYSON/UNDERWOOD SEWER INTERCONNECT

PROJECT NO. 7502

BIDS OPENED: TUESDAY, JANUARY 12, 1999

(NUMBER OF BIDS RECEIVED - 8)

BID SUMMARY			ENGINEER'S ESTIMATE		N.V. HEATHORN INC. 2846 CHAPMAN STREET OAKLAND CA 94601 (510) 534-2943		MCGUIRE AND HESTER 9009 RAILROAD AVENUE OAKLAND CA 94603 (510) 632-7676	
ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
19	1	LS	15,000.00	15,000.00	10,030.00	10,030.00	1,200.00	1,200.00
20	1	LS	5,000.00	5,000.00	7,055.00	7,055.00	2,500.00	2,500.00
21	2	EA	4,000.00	8,000.00	2,743.00	5,486.00	500.00	1,000.00
22	70	LF	600.00	42,000.00	555.00	38,850.00	850.00	59,500.00
23	350	SF	5.00	1,750.00	12.00	4,200.00	16.00	5,600.00
24	1	LS	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
TOTAL BID				564,220.00		559,573.00		586,586.00

EXHIBIT B - PAGE 6 OF 8

CITY OF HAYWARD
 TENNYSON ROAD LIFT STATION IMPROVEMENT AND
 TENNYSON/UNDERWOOD SEWER INTERCONNECT
 PROJECT NO. 7502
 BIDS OPENED: TUESDAY, JANUARY 12, 1999
 (NUMBER OF BIDS RECEIVED - 8)

BID SUMMARY			ENGINEER'S ESTIMATE		PACIFIC MECHANICAL CORP. 2501 ANNALISA DRIVE CONCORD CA 94520 (925) 827-4940		DIABLO CONTRACTORS INC. 760 SAN RAMON VALLEY BLVD. STE 103 DANVILLE CA 94526 (925) 552-8250	
ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
19	1	LS	15,000.00	15,000.00	20,000.00	20,000.00	25,000.00	25,000.00
20	1	LS	5,000.00	5,000.00	20,000.00	20,000.00	20,000.00	20,000.00
21	2	EA	4,000.00	8,000.00	3,300.00	6,600.00	4,000.00	8,000.00
22	70	LF	600.00	42,000.00	1,500.00	105,000.00	300.00	21,000.00
23	350	SF	5.00	1,750.00	34.00	11,900.00	15.00	5,250.00
24	1	LS	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
TOTAL BID				564,220.00		658,625.00		1,157,900.00

EXHIBIT B - PAGE 8 OF 8

DRAFT

HAYWARD CITY COUNCIL

DM 1-28-99

RESOLUTION NO. _____

Introduced by Council Member _____

**RESOLUTION REJECTING THE LOW BID AND
AWARDING CONTRACT TO JOHN CLAY ENGINEERING
CONTRACTOR FOR THE TENNYSON ROAD LIFT
STATION IMPROVEMENT AND UNDERWOOD SEWER
INTERCONNECTION PROJECT, PROJECT NO. 7502**

WHEREAS, on December 8, 1998, the City Council approved plans and specifications for the Tennyson Road Lift Station Improvement and Underwood Sewer Interconnection Project, Project No. 7502, and called for bids to be received on January 12, 1999; and

WHEREAS, of the eight bids received by the City for this project, the low bid from Clyde G. Steagall, Inc., was 27.5 percent below the engineer's estimate, however, said firm has performed unreliably under two recent contracts with the City; and

WHEREAS, the second low bid received by John Clay General Engineering Contractor was 9.9 percent below the engineer's estimate, and the contractor has recently completed two projects for the City in a manner satisfactory to the City; and

WHEREAS, City staff recommend Clyde G. Steagall, Inc., be declared a non-responsible bidder and its bid rejected for past unreliable performance, and that the contract be awarded to the second low bidder; and

WHEREAS, Clyde G. Steagall, Inc., has been informed of, and it has accepted, the staff's recommendation.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hayward as follows:

1. Clyde G. Steagall, Inc., is determined to be a non-responsible bidder and the low bid received from Clyde G. Steagall, Inc., for the Tennyson Road Lift Station Improvement and Underwood Sewer Interconnection Project, Project 7502 is hereby rejected due to such firm's unreliable performance on two previous City projects, specifically the following:
 - A. On the Standby Power and Highlands 250 and 500 Pump Station and corporation yard/Utilities building project, Clyde G. Steagall, Inc., failed to perform the work in the specified amount of time and was

assessed liquidated damages for the 192 day delay; and

B. On the Emergency Water Well C project and Clyde G. Steagall again failed to complete the work in the specified time and was assessed liquidated damages for a 52 day delay.

2. John Clay General Engineering Contractor of Hayward, California, is hereby awarded the contract for the Tennyson Road Lift Station Improvement and Underwood Sewer Interconnection Project, Project No. 7502, in accordance with the plans and specifications adopted therefore. A copy of these plans and specifications is on file in the office of the City Clerk of the City of Hayward. The contract is awarded at and for the price named and stated in the bid submitted by John Clay General Engineering Contractor of Hayward , California.

3. The City Manager is hereby authorized to execute a contract in an amount not to exceed \$508,051 for the award of the project to John Clay General Engineering Contractor on behalf of the City of Hayward, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____ , 1999

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

Resolution No. 99-__

DRAFT

GA 1-28-99

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

RESOLUTION AMENDING RESOLUTION 98-110, AS AMENDED, THE BUDGET RESOLUTION FOR CAPITAL PROJECTS FOR FISCAL YEAR 1998-99, RELATING TO AN APPROPRIATION OF FUNDS FOR THE TENNYSON ROAD LIFT STATION IMPROVEMENT AND UNDERWOOD SEWER INTERCONNECTION PROJECT, PROJECT NO. 7502

BE IT RESOLVED by the City Council of the City of Hayward that Resolution No. 98-110, as amended, the Budget Resolution for Capital Projects for fiscal year 1998-99, is hereby further amended by appropriating \$350,000 from the Sewer Capital Improvement Fund, Fund 613, for the Tennyson Road Lift Station Improvement and Underwood Sewer interconnection Project, Project No. 7502.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 1999

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward