



# CITY OF SAN MATEO

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## Agenda Report

Agenda Number: 5

Section Name: {{section.name}}

File ID: {{item.tracking\_number}}

**TO:** City Council  
**FROM:** Drew Corbett, City Manager  
**PREPARED BY:** Public Works Department  
**MEETING DATE:** February 07, 2022

**SUBJECT:**  
Delaware Street Relief Sewer Project – Construction Agreement

### RECOMMENDATION:

Award an agreement with JMB Construction, Inc. for construction of the Delaware Street Relief Sewer Project in an amount not to exceed \$8,448,375; establish a contingency fund in an amount of \$1,690,000; and authorize the Public Works Director to execute the agreement in substantially the form presented and issue change orders within the contingency amount.

### BACKGROUND:

The Clean Water Program (CWP) is improving the City's sanitary sewer system to prevent sewer overflows and unauthorized discharges of sewage. The Delaware Street Relief Sewer Project (Project) is part of the CWP's efforts to proactively rehabilitate aging sewer pipes and increase wastewater system capacity. The new gravity sewer will serve as a relief line for excess wastewater during storm events and supports the operation and functionality of the Underground Flow Equalization System facility to eliminate sanitary sewer overflows in the City.

The Project includes installing a new gravity pipeline using a combination of open trench excavation and trenchless construction (microtunneling) in the Caltrain right-of-way, starting approximately 900 feet south of E. 25th Avenue and extending southwards to the intersection of S. Delaware Street and Pacific Boulevard. Under an agreement with the Caltrain Joint Powers Board, the project will complete some of the final surface restoration associated with the 25<sup>th</sup> Avenue Grade Separation project. Notice to proceed with construction is anticipated to be given in March 2022.

In accordance with Municipal Code Section 3.60.030, a competitive public process was used to obtain bids for this service. A Notice Inviting Sealed Proposals and Bidding Documents was issued to advertise the project on August 23, 2021. Six (6) bids were received and opened on January 18, 2022 with the following results:

| Contractor                                | Bid Amount      |
|---|-----------------|
| JMB Construction                          | \$8,448,375.00  |
| McGuire and Hester                        | \$8,664,350.00  |
| Cratus                                    | \$9,509,250.00  |
| Anderson Pacific Engineering Construction | \$9,566,725.00  |
| Ranger Pipelines                          | \$10,980,000.00 |
| Mountain Cascade                          | \$12,928,925.00 |

JMB Construction, Inc. was the lowest bidder, with a bid of \$8,448,375.00 which is approximately 15% lower than the engineer's estimate of \$10,000,000. Staff recommends the award of the agreement to JMB Construction, Inc. based on

staff's determination that the contractor is a responsive and responsible bidder.

The Project construction area is bordered by new commercial development and the recently commissioned Hillsdale Caltrain station. Due to the ongoing construction associated with the Bay Meadows development, staff has determined that a 20% contingency would adequately cover potential unanticipated changes due to underground utilities and congested conditions.

**BUDGET IMPACT:**

Funding for this agreement and contingency is available in the Basins 2 & 3 Collection System Improvements Project (46S003-46S16).

**ENVIRONMENTAL DETERMINATION:**

The work addressed by this administrative report is being undertaken to support the Clean Water Program. This project is subject to the requirements of the California Environmental Quality Act (CEQA), the general components of which are included as part of the Final Programmatic Environmental Impact Report (Final PEIR) (SCH No. 201532006) that was prepared for the Clean Water Program. The Final PEIR was certified by City Council on June 6, 2016.

**NOTICE PROVIDED**

All meeting noticing requirements were met.

**ATTACHMENTS**

Att 1 – Agreement

Att 2 – Bid Summary

**STAFF CONTACT**

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