



Construction Contract Award for the Facility-wide Water Systems Project

TPAC Presentation – Item 5.C

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CIP
**San José-
Santa Clara
Regional
Wastewater
Facility**

Project Overview

- Project replaces aging water systems to meet future water/pressure demands and regulatory requirements
 - 1W (potable)
 - 2W (groundwater)
 - 3W (process)
 - 4W (fire protection)
- Project replaces 44,000 LF of water piping, including segments over 50 years old
- Based on age and condition assessments, several segments identified at high risk of failure

Existing Conditions

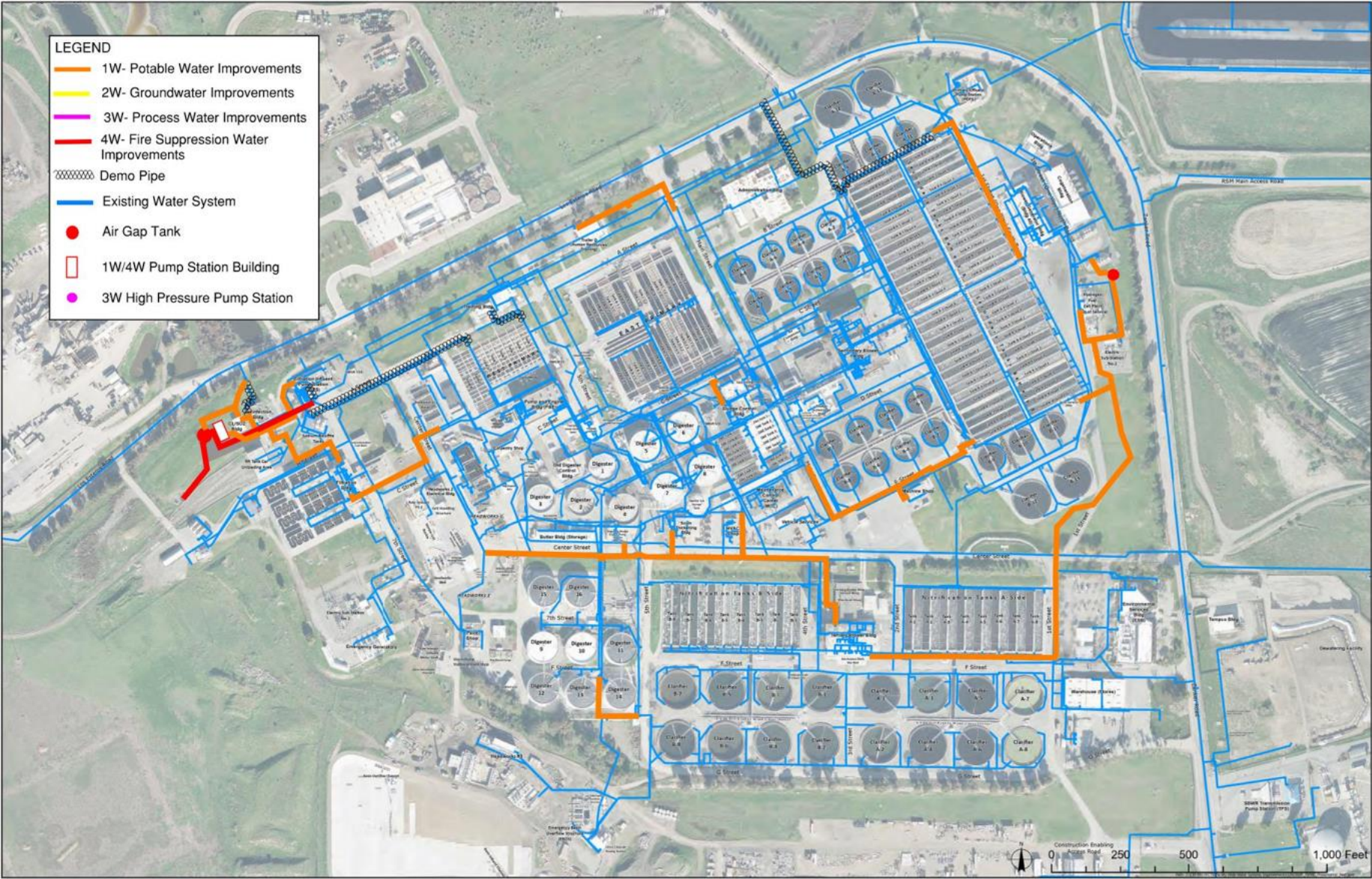


Pipeline
and Valve
Corrosion



Pipeline
Breaks
and
Repairs

Project Scope – 1W/4W System Improvements



Summary of Bid Results

Bid Result

- Lowest responsive bid amount: \$59,490,760
- Engineer's Estimate: \$48,416,000

Lowest Responsive Bidder

- Ranger Pipelines, Inc.

Schedule

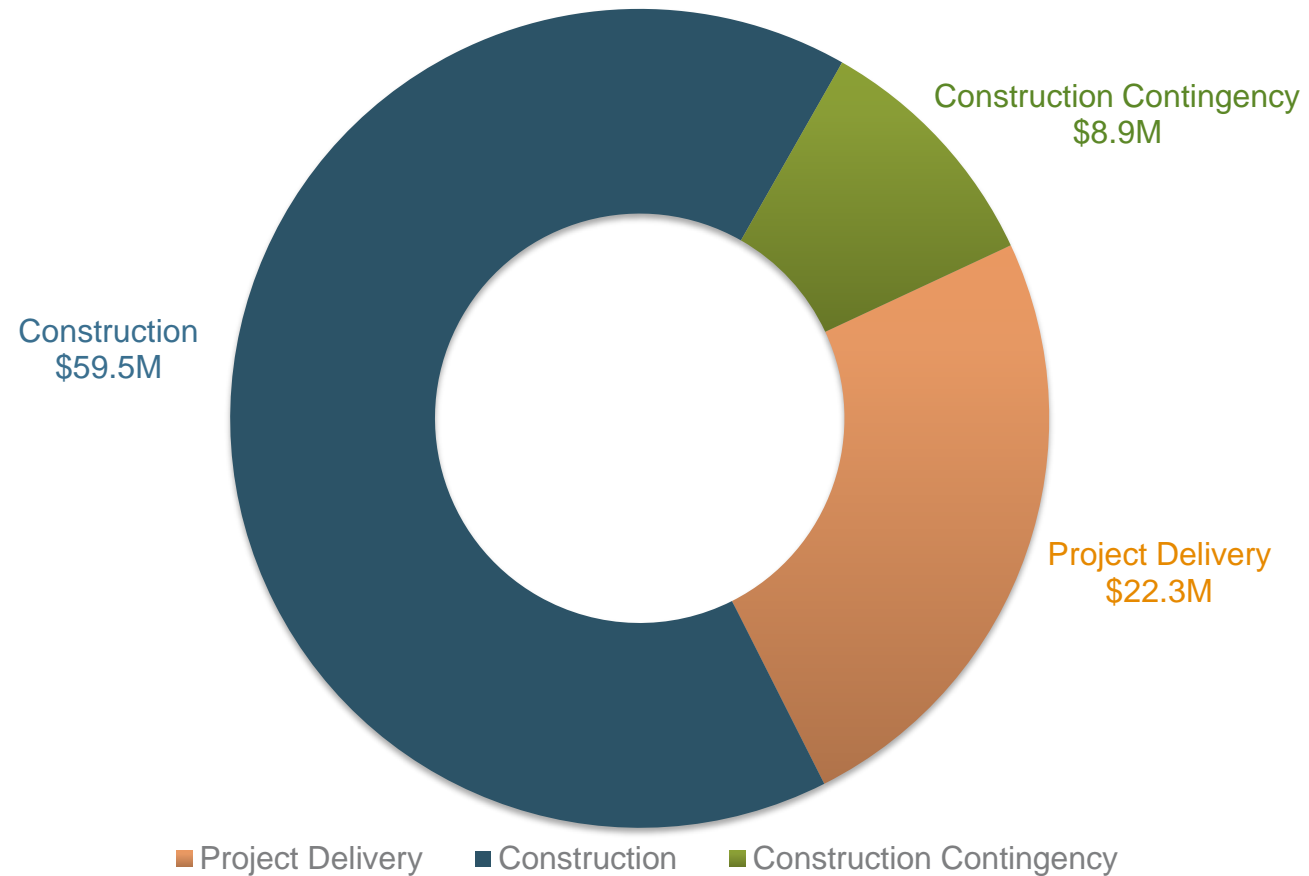
- NTP in February 2024 with substantial completion expected December 2026

Bid Analysis

- Bid Summary
 - Four prequalified bidders, three responsive bids
 - Lowest bid was 23% more than the Engineer's Estimate
 - Bid spread of only 3.5% between first and second lowest bid
- Factors contributing to variance between Engineer's Estimate and Lowest Bid
 - Increased cost escalation pressure on construction materials and labor due to post-Covid/supply chain issues
 - Limited pool of specialty subcontractors increased costs
 - High volume of municipal water/wastewater projects in the Bay Area
 - Contractor productivity rates likely lower than anticipated for performing work in congested areas and maintaining 24/7 plant operations

Project Cost Summary

Total Project Cost: \$90.6M



Recommendation

Accept the report on bids and award of construction contract to the lowest responsive, responsible bidder, Ranger Pipelines, Inc., in the amount of \$59,490,760 for the 7760 – Facility-wide Water Systems Improvements Project and approve a 15 percent construction contingency in the amount of \$8,924,000.