

**REPORT TO MAYOR AND COUNCIL****TO THE HONORABLE MAYOR AND COUNCIL:**

DATE: November 18, 2014

**SUBJECT: AWARD A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$150,000 TO OVERMILLER, INC. DBA ROTO-ROOTER OF CONCORD, FOR PROJECT NO. 2244 (CITYWIDE SEWER LATERAL REPLACEMENT PROGRAM) (FUNDED BY: SEWER ENTERPRISE FUNDS)**

**Report in Brief**

Project No. 2244 (Citywide Sewer Lateral Replacement Program) is an annual program to replace City maintained lower sewer laterals (from the property line to the main) in various locations throughout the City. The project was specified as a one-year “on-call” services contract with a renewable option for up to two additional years upon mutual agreement of the Contractor and the City of Concord. The project included bid items to establish the prices for the various services to be used on an on-call basis. Bids were opened at 2:00 p.m. on Monday, September 29, 2014. Overmiller, Inc. dba RotoRooter (RotoRooter) of Concord submitted the lowest responsive and responsible bid of \$681,650. RotoRooter has an appropriate, valid contractor’s license and satisfactory work references. The program budget for the current fiscal year is \$150,000 and is entirely funded from Sewer Enterprise funds.

Staff recommends that the City Council award an on-call Construction Contract in the amount of \$150,000 to Overmiller, Inc. dba RotoRooter of Concord for Project No. 2244 (Citywide Sewer Lateral Replacement Program); and authorize the Mayor to execute the agreement.

**Background**

In June 2014, the City Council approved Project No. 2244 (Citywide Sewer Lateral Replacement Program) when it adopted the FY 2014-15 CIP Ten Year Plan. This project funds the replacement of damaged service laterals to ensure adequate flow levels and reduce groundwater infiltration into the sewer system in residential areas.

The Public Works’ Sewer Division has already identified ten (10) current locations where lateral replacement is necessary. The execution of this contract will allow for the replacement of these laterals,

**AWARD A CONSTRUCTION CONTRACT FOR PROJECT NO. 2244  
(CITYWIDE SEWER LATERAL REPLACEMENT PROGRAM)**

November 18, 2014

Page 2

as well as additional sewer service laterals as they are identified on an “on-call” basis for a period of one year, within the budgetary limit, beginning from the date of award of contract. The contract specifications also allow the option to extend the contract for up to an additional two consecutive years if both parties are agreeable. City Infrastructure Maintenance staff will manage this project and utilize this “on-call” contract for replacement services as necessary, without having to go before Council for each incident.

The Plans, Specifications and Estimate (PS&E) package for this project was structured as an “on-call” contract. In order to provide prospective bidders with a biddable estimate for the “on-call” services, staff allowed for worst-case scenario at multiple unknown locations for sewer lateral replacement/repair so that a “per unit cost” could be determined. Determination of the lowest responsible bidder was based on the total base bid. The City has the right to award all, none, or any combination of the various bid items. The quantities shown on the bid proposal form were estimates only and were to be used for bid evaluation and low bid determination. Staff will limit the on-call replacements/repairs using the “per unit” bid costs to the approved project budget of \$150,000. Staff worked closely with the City Attorney’s office to approve this bidding process.

The bid opening was held at 2:00 p.m. on Monday, September 29, 2014. One (1) bid was received in the amount of \$681,650 as shown on the Bid Results (Attachment 1).

**Discussion**

RotoRooter’s bid for the entire scope of work as shown in the bid package was \$681,650, which exceeds the annual budget for the project. Staff discussed this matter with the City Attorney’s office and it was determined that an award can be made using the unit costs as shown on the bid up to a maximum contract amount of \$150,000. Staff contacted Roto Rooter to verify acceptability of this process and they agreed. Staff has completed its analysis of RotoRooter’s bid, has verified that RotoRooter possesses an appropriate and valid contractor’s license, has determined that RotoRooter has satisfactory references and experience in the construction of similar projects, and that RotoRooter is ready to perform the work. The project schedule calls for commencing construction immediately after the award of contract in November, 2014.

**Fiscal Impact**

Project No. 2244 (Citywide Sewer Later Replacement Program) includes an annual allocation of \$150,000 in Sewer Enterprise funds. The project budget is sufficient to fully fund the cost of this work in year one; subsequent contract extension years are dependent upon budget approvals.

**Public Contact**

The City Council Agenda was posted.

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(CITYWIDE SEWER LATERAL REPLACEMENT PROGRAM)**

November 18, 2014

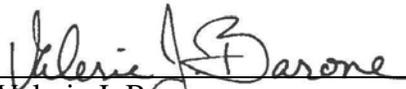
Page 3

**Recommendation for Action**

Staff recommends that the City Council award an on-call Construction Contract in the amount of \$150,000 to Overmiller, Inc. dba RotoRooter of Concord for Project No. 2244 (Citywide Sewer Lateral Replacement Program); and authorize the Mayor to execute the agreement.

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Attachment 1 – Bid Results

**City of Concord  
Bid Sheet**

**PROJECT #2244**  
**Citywide Sewer Lateral Replacement**

**Bid Opening:**  
**Monday, 9/ 29/14**

Engineer's Estimate: \$ *337,000*

To be awarded: September 29, 2014

COMPANY	TOTAL BID
Roto Rooter Plumbers 195 Mason Circle Concord, CA 94520	<i>681,650</i>

**Contact: Mario Camorongon x3021**