



# STAFF REPORT

AGENDA NO: 9c

MEETING DATE: June 2, 2025

**To: Honorable Mayor and City Council**

**Date: June 2, 2025**

**From: Syed Murtuza, Director of Public Works – (650) 558-7230  
Weizhi Cheng, Senior Civil Engineer – (650) 558-7258**

**Subject: Adoption of a Resolution Accepting the West Burlingame Terrace Subdivision Water Main Replacement Project, City Project No. 84893, by Cratus, Inc. at a cost of \$3,172,074.92**

---

## **RECOMMENDATION**

Staff recommends that the City Council adopt the attached resolution accepting the West Burlingame Terrace Subdivision Water Main Replacement Project, City Project No. 84893, constructed by Cratus, Inc. at a cost of \$3,172,074.92.

## **BACKGROUND**

On May 20, 2024, the City Council awarded the West Burlingame Terrace Subdivision Water Main Replacement Project, City Project No. 84893, to Cratus Inc. with proposed costs to be \$2,933,770.

The completed water main work includes approximately 430 linear feet of 12-inch, 1,150 linear feet of 8-inch, and 3,400 linear feet of 6-inch new Ductile Iron Pipe (DIP) water main on Fairfield Road, Palm Drive, Willow Avenue, Arc Way, Walnut Avenue, Sanchez Avenue, Edgehill Drive, and Balboa Avenue. The project also replaced 112 water service lines to existing water meters for customer connections. Nine fire hydrant assemblies were removed and replaced with new fire hydrant assemblies. Miscellaneous concrete and asphalt work was performed as needed. The new potable water system infrastructure will improve water quality, flow, and pressure to serve the residents in the area.

## **DISCUSSION**

The project construction has been successfully completed in accordance with the plans and specifications. The final construction cost is \$3,172,074.92, which is \$238,304.92, or approximately 8%, above the originally awarded contract amount, and is within the City Council authorized contingencies of 15%.

The additional costs are attributed to the following change orders:

- Emergency repairs for a water main break that occurred near 723 California Drive;
- Replacement of a leaking water valve near 1640 Old Bayshore Highway;

- Additional work due to unforeseen subsurface conditions, including concrete subbase encountered during trenching and pavement repair, and removal of an unidentified concrete block conflicting with a new fire hydrant; and
- Contractor overtime required to complete a critical water main tie-in to restore water service.

**FISCAL IMPACT**

The following are the estimated final project expenditures:

Construction	\$3,172,075
Construction Management and Inspection	\$405,000
Engineering and Administration	\$72,925
<b>Total</b>	<b>\$3,650,000</b>

There are adequate funds available in the Capital Improvements Program budget to cover the estimated final costs.

Exhibits:

- Resolution
- Final Progress Payment
- Project Location Map