



Office of the City Manager

CONSENT CALENDAR
July 8, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Terrance Davis, Director, Public Works Department
 Subject: Contract: Kerex Engineering, Inc. for FY 2025 Drainage Improvements
 (Specification No. 23-11561-C & 25-11677-C)

RECOMMENDATION

Adopt a Resolution:

1. Approving plans and specifications for the FY 2025 Drainage Improvements Project;
2. Accepting the bid of Kerex Engineering, Inc. as the lowest responsive and responsible bidder; and
3. Authorizing the City Manager to execute a contract and any amendments, extensions, or other change orders until project completion, in accordance with the approved plans and specifications in an amount not to exceed \$4,397,236.

FISCAL IMPACTS OF RECOMMENDATION

The construction contract for the FY 2025 Drainage Improvement Project consists of two individual design projects:

- 1) Wildcat Canyon Drainage Improvements Project and,
- 2) FY 2024 Storm Drain Improvement Project.

Funding for the projects is available in the approved FY 2026 budget in the funds indicated below. No other funding is required, and no other projects will be delayed due to this expenditure.

Project	Clean Storm Water Fund (Fund 616)	Measure BB Sales Tax (Fund 134)
Wildcat Canyon Road Drainage Improvements Project (Specification No. 23-11561-C)	\$2,141,009	\$200,000
FY 2024 Storm Drain Improvements Project (Specification No. 25-11677-C)	\$2,056,227	---

Total construction funding: \$4,397,236	\$4,197,236	\$200,000
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Low bid by Contractor	\$3,997,487
10% Contingency	\$399,749
Total Not-To-Exceed Construction Cost	\$4,397,236

CURRENT SITUATION AND ITS EFFECTS

The FY 2025 Drainage Improvements construction contract is comprised of two separate design packages: The Wildcat Canyon Drainage Improvement Project and the FY 2024 Storm Drain Rehabilitation Project. City staff combined the separate design packages into a single construction bid package due to the similar nature of the work and to reduce the administrative work and staff resources required for execution of the work as separate construction contracts.

The FY 2025 Drainage Improvements Project was released for bids on May 9, 2025, and bids were opened on June 3, 2025 (see Attachment 3, Abstract of Bids). 3 bids were received, from a low of \$3,997,487 to a high of \$4,455,783. Kerex Engineer, Inc. (Kerex) of Martinez, CA, was the lowest responsive and responsible bidder, with a bid of \$3,997,487, and their references were found to be satisfactory. Staff recommends a contract for this project be awarded to Kerex. The engineer's estimate for the project was \$3,270,000. A combination of increased material and labor costs contributed to higher-than-expected construction bids.

The FY 2025 Drainage Improvements Project supports the City's Strategic Plan goals of providing state-of-the-art, well-maintained infrastructure, amenities.

BACKGROUND

The FY 2024 Storm Drain Rehabilitation Project addresses urgent storm drain infrastructure repairs and drainage improvements at various locations. The project scope includes the rehabilitation of approximately 818 linear feet of storm drain pipes using open-cut excavation and trenchless methods like cured-in-place pipe lining and slip-lining; construction of catch basins and maintenance holes; construction and replacement of curb and gutter to mitigate uncontrolled ground water and storm runoff; and the replacement of approximately 641 linear feet of cross culverts at various locations throughout the City.

The Wildcat Canyon Drainage Improvement Project includes drainage improvements along the entire length of Wildcat Canyon Road within City limits. The project scope includes replacing drainage culverts, rehabilitating inlet structures, and installing energy dissipation at culvert outfalls to mitigate erosion. This project improves the roadway's resiliency to slides and erosion, prevents the formation of sinkholes caused by failing culverts, and makes the road safer for the public and emergency services vehicles.

The project has been determined to be categorically exempt from the California Environmental Quality Act (CEQA), per California Code of Regulations, Title 14, Division 6, Article 3, Chapter 3, Article 19, §15301 Existing Facilities, as work consists of repair, maintenance, and minor alteration of existing drainage facilities with negligible or no expansion of existing use. City staff have filed a Notice of Exemption with the Office of Planning and Research and the Alameda County Clerk.

The Living Wage Ordinance does not apply to this project since Public Works construction contracts are, pursuant to City policy, subject to State prevailing wage laws. Kerex has submitted a Certification of Compliance with the Equal Benefits Ordinance. The Community Workforce Agreement applies to this project because its value exceeds \$500,000. As a result, the contractor and all subcontractors will be required to sign an agreement to be bound by the terms of the Agreement.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The projects involve rehabilitating existing storm drain pipes to improve their long-term resilience against increasingly intense storms driven by climate change. Ensuring their good repair decreases the chance of breakage. These infrastructure improvements mitigate uncontrolled ground water and storm runoff.

RATIONALE FOR RECOMMENDATION

The City conducted a public bid process and Kerex submitted the lowest, responsive, and responsible bid. The work requires contracted services, as the City does not possess the in-house labor or equipment resources necessary to complete this specialized construction work.

ALTERNATIVE ACTIONS CONSIDERED

No alternative actions were considered for this project. Failure to rehabilitate the aging infrastructure would lead to further degradation and eventual failure, placing public infrastructure and adjacent private property at risk.

CONTACT PERSON

Wahid Amiri, Deputy Director, (510) 981-6396

Ronald A. Nevels, Manager of Engineering, (510) 981-6439

Ricardo Salcedo, Acting Supervising Civil Engineer, (510) 981-6407

Attachments:

- 1: Resolution
- 2: Location Map
- 3: Abstract of Bids

RESOLUTION NO. ##,###-N.S.

CONTRACT: KEREX ENGINEERING, INC. FOR FY 2025 DRAINAGE IMPROVEMENTS (SPECIFICATION NOS 23-11561-C & 25-11677-C)

WHEREAS, the FY 2025 Drainage Improvement Project (Project) is comprised of two sub-projects:

- Wildcat Canyon Road Drainage Improvements (Specification No. 23-11561-C) and
- FY 2024 Storm Drain Improvements (Specification No. 25-11677-C); and

WHEREAS, the work for Wildcat Canyon Road Drainage Improvements enhances the roadway's resiliency to slides and erosion, prevents the formation of sinkholes caused by failing culverts, and makes the road safer for the public and emergency services vehicles; and

WHEREAS, the FY 2024 Storm Drain Improvement Project is part of the City's ongoing Storm Drain Infrastructure Capital Improvement Program to rehabilitate deteriorated storm drain infrastructure and improve drainage; and

WHEREAS, the City has neither the labor nor the equipment necessary to undertake this Project; and

WHEREAS, the Project has been determined to be categorically exempt from the California Environmental Quality Act (CEQA), per California Code of Regulations, Title 14, §15301 Existing Facilities as work consists of repair, maintenance, and minor alteration of existing drainage facilities with negligible or no expansion of existing use; and

WHEREAS, an invitation for bids was duly advertised and Kerex Engineering, Inc., of Martinez, CA was the lowest responsive and responsible bidder; and

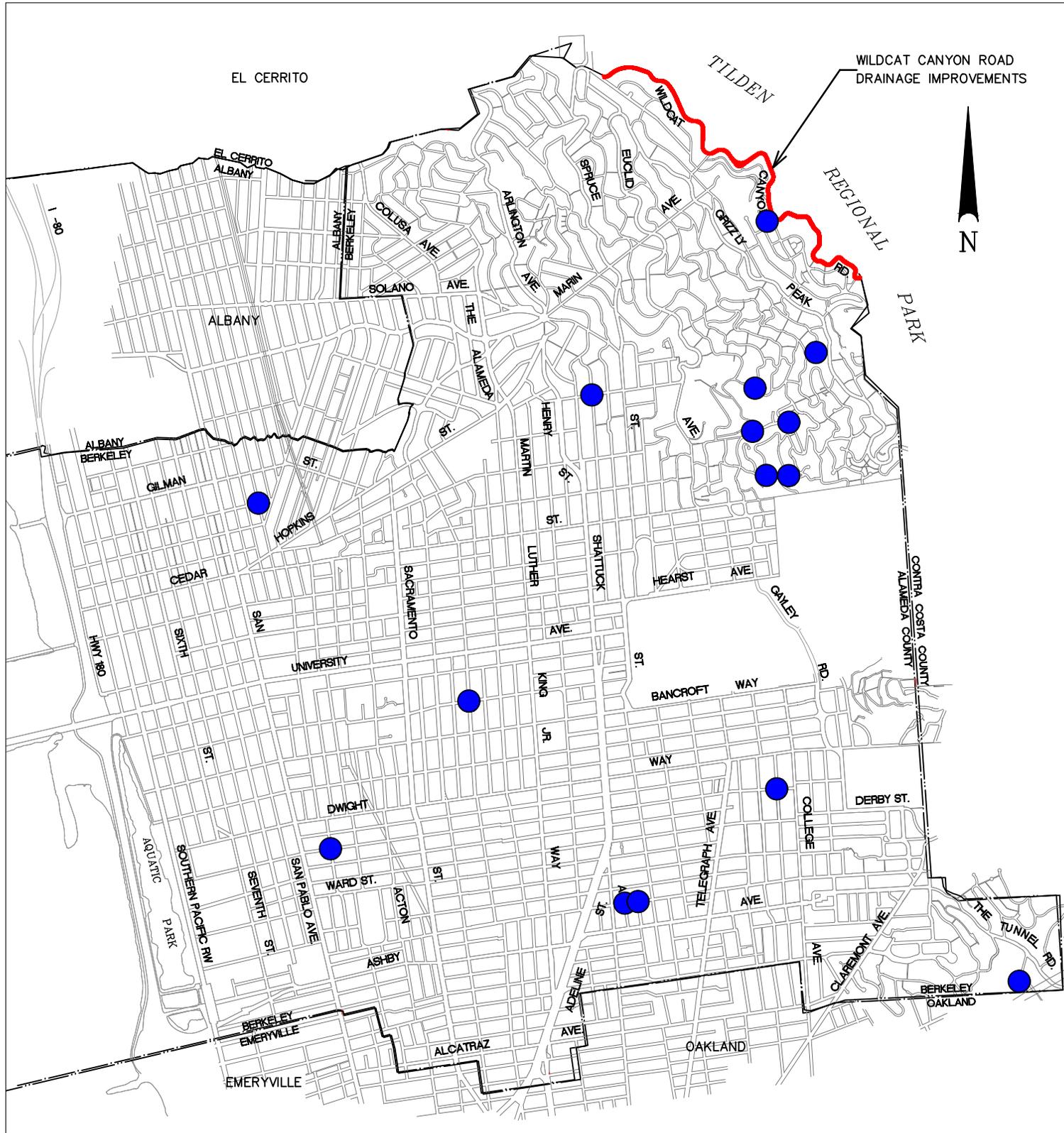
WHEREAS, funding is available in the FY 2026 budget in the Clean Storm Water (Fund 616) and Measure BB Sales Tax (Fund 134); and

WHEREAS, no other funding is required, and no other project from the Public Works Department will be delayed due to this expenditure.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that Plans and Specifications No. 23-11561-C and 25-11677-C for FY 2025 Drainage Improvements Project are approved.

BE IT FURTHER RESOLVED that the Council of the City of Berkeley authorizes the City Manager to execute a contract and any amendments, extensions, or change orders, until completion of the project in accordance with the approved plans and specifications with Kerex Engineering, Inc. for FY 2025 Drainage Improvements, in an amount not to exceed \$4,397,236, which includes a 10% contingency for unforeseen circumstances. A record signature copy of the said Agreement and any amendments to be on file in the Office of the City Clerk.

CITY OF BERKELEY, CALIFORNIA FY 2025 DRAINAGE IMPROVEMENTS PROJECT SPECIFICATION NOS. 23-11561-C AND 25-11677-C



LEGEND

- █ WILDCAT CANYON ROAD DRAINAGE IMPROVEMENTS
- FY 24 STORM DRAIN IMPROVEMENT SITE

