

AGENDA ITEM NO. 1F
COUNCIL MEETING 2/3/09

APPROVED BY

DEPARTMENT DIRECTOR 

CITY MANAGER

February 3, 2009

FROM: RENE A. RAMIREZ, Director 
Department of Public Utilities

BY: ROBERT N. ANDERSEN P.E., Assistant Director 
Department of Public Utilities

SUBJECT: AWARD A CONTRACT IN THE AMOUNT OF \$781,330.00 TO VULCAN CONSTRUCTION & MAINTENANCE, INC. FOR THE REQUIREMENTS CONTRACT TO INSTALL WATER METER BOXES WITHIN THE CITY OF FRESNO (VARIOUS COUNCIL DISTRICTS)

KEY RESULT AREA

One Fresno

RECOMMENDATION

Staff recommends that the City Council award a contract in the amount of \$781,330.00 to Vulcan Construction & Maintenance, Inc. as the lowest responsive and responsible bidder.

EXECUTIVE SUMMARY

This project will install approximately 2,200 water meter boxes for the first six months of the requirements contract. The Contract can be extended for up to three years.

KEY OBJECTIVE BALANCE

This project best balances the three Key Objectives of Customer Satisfaction, Employee Satisfaction and prudent Fiscal Management. This project will provide the necessary water meter boxes for the citywide residential meter installation project. This project was competitively bid which adheres to the key objective of prudent Fiscal Management.

BACKGROUND

The passage of Assembly Bill 514 requires that all users of Federal Central Valley Project (CVP) water install water meters and bill for water usage at a metered rate by 2025. Additionally, under the terms of the City's CVP contract renewal with the United States Bureau of Reclamation, the City must begin charging a metered rate to all users with existing water meters by January 1, 2010, and all services must be metered by January 1, 2013. The Water Division has approximately 105,050 residential water services that will require water meters in order to be in compliance with AB 514.

REPORT TO THE CITY COUNCIL

AWARD A CONTRACT IN THE AMOUNT OF \$781,330.00 TO VULCAN CONSTRUCTION & MAINTENANCE, INC.

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As part of the upcoming project, an Initial Study for California Environmental Quality Act (CEQA) compliance was prepared. It was determined that the project will not have a significant impact on the environment. A Negative Declaration was prepared and circulated for 30 days, starting on May 1, 2008, for review by the public and interested agencies. The review period closed on May 30, 2008, without any comments having been submitted. The Negative Declaration was and is available at the City of Fresno, Department of Public Utilities.

To comply with the Assembly Bill, staff is being proactive in getting the water meter boxes installed as soon as possible. This project will install approximately 2,200 water meter boxes for the first six months of the requirements contract. The Contract can be extended for an additional two one-year periods and may eventually involve 20,000 meter box installations. Staff is currently preparing a second meter box installation project for bidding to run concurrently with this Contract. By bidding in this manner not only allows for the City to meet its deadline, it allows for more local participation by reducing the bonding requirements.

Plans and Specifications were prepared and a Notice of Inviting Bids was published in the Business Journal on January 5, 2009, posted on the City's website and faxed to ten (10) builder exchanges. The specifications were distributed to fifty-two (52) prospective bidders. Eleven (11) bid proposals were received and opened in a public bid opening on January 22, 2009. Bid proposal prices ranged from \$781,330.00 to \$1,353,150.00.

Vulcan Construction & Maintenance, Inc. submitted the lowest bid price in the amount of \$781,330.00 and is considered the lowest responsive and responsible bidder. Staff recommends that the City Council award a contract in the amount of \$781,330.00 to Vulcan Construction & Maintenance, Inc. as the lowest responsive and responsible bidder. This staff determination was posted on the City's website on January 26, 2009.

The initial portion of the project will be completed with six months from issuance of Notice to Proceed. The contract can be renewed for an additional two one-year periods and may eventually involve 20,000 meter box installations.

FISCAL IMPACT

See attached.

FISCAL IMPACT STATEMENT

PROGRAM: WC 00063

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	\$781,330	_____
Indirect Cost	\$10,000	_____
TOTAL COST	\$791,330	_____
Additional Revenue or Savings Generated	<u>-0-</u>	_____
Net City Cost	\$791,330	_____
Amount Budgeted (If none budgeted, identify source)	\$62,465,000	_____

Indirect Costs Consist of the following:

Project Management- \$10,000

(CM services are handled under another app. Contract)

EVALUATION OF BID PROPOSALS

FOR: REQUIREMENTS CONTRACT WATER METER BOX INSTALLATION WITHIN THE CITY OF FRESNO

Bid File No. 9046
Bid Opening: January 22, 2009

	BIDDER 'S	TOTAL NET BID AMOUNT
1.	Vulcan Construction & Maintenance, Inc. 2610 W Shaw Lane, Suite 103 Fresno CA 93711	\$781,330.00
2.	Dawson-Mauldin Construction, Inc. 1025 E Nebraska Selma CA 93662	\$869,550.00
3.	Browning Contractors, Inc. 5410 E Home Fresno CA 93727	\$871,325.00
4.	West Valley Construction Company, Inc. PO Box 5639 San Jose CA 95150	\$898,775.00
5.	Teichert Construction 4533 E Citron Avenue Fresno CA 93725	\$986,600.00
6.	Davis Moreno Construction, Inc. 4720 N Blythe Ave Fresno CA 93722	\$1,037,823.30
7.	Kinetics Mechanical Service 6691 Brisa Street Livermore CA 94550	\$1,050,820.00
8.	Manuel Bros., Inc. 908 Taylorville Road, Suite 104 Grass Valley CA 95949	\$1,059,825.00
9.	George Dakovich & Son, Inc. 6135 N Golden State Blvd Fresno CA 93722	\$1,070,030.00
10.	Steve Dovali Construction 8461 E Olive Fresno CA 93727	\$1,072,970.25
11.	Granite Construction Company 585 W Beach Street Watsonville CA 95076	\$1,353,150.00

EVALUATION OF BID PROPOSALS

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FOR: REQUIREMENTS CONTRACT WATER METER BOX INSTALLATION WITHIN THE CITY OF
FRESNO

Bid File No. 9046

Bid Opening: January 22, 2009

Each bidder has agreed to allow the City ninety (90) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, February 18, 2009, 5:00 P.M.

The current contract pricing is 35% below the Engineer's Estimate contract pricing. If the overage is greater than 10% or only one bid was received, give explanation:

BACKGROUND OF PROJECT (To be completed by Evaluating Department/Division. Explain need for project/equipment):

This project, which is extendable for three years, is for the installation of water meter boxes throughout the City of Fresno. This project will assist the City in meeting the January, 2013 deadline to meter all residential water accounts.

EVALUATION OF BID PROPOSALS

FOR: REQUIREMENTS CONTRACT WATER METER BOX INSTALLATION WITHIN THE CITY OF FRESNO

Bid File No. 9046
Bid Opening: January 22, 2009

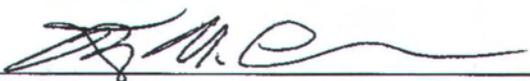
DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$ 781,330.00 to Vulcan Construction & Maintenance, Inc. as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval



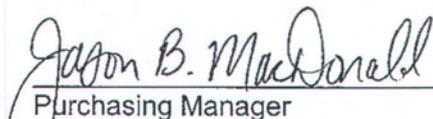
Title: Assistant Director of DPU

Date 1/26/09

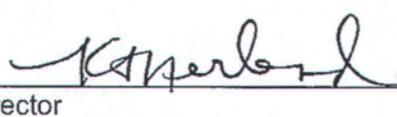
- Approve Dept. Recommendation Approve GSD/Purchasing Recommendation
- Disapprove Disapprove
- See Attachment

GENERAL SERVICES DEPARTMENT

CITY MANAGER

 1/26/2009
Purchasing Manager Date

 1/26/09
City Manager or Designee Date

 1/26/09
Director Date