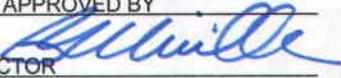


AGENDA ITEM NO. 1 L
COUNCIL MEETING: 6/9/2011

June 9, 2011

APPROVED BY 
DEPARTMENT DIRECTOR
CITY MANAGER

FROM: PATRICK N. WIEMILLER, Director
Department of Public Works - Administration

BY: MARTIN A. QUERIN, PE, Assistant Director
Department of Public Utilities – Water Division 

SUBJECT: AWARD A CONTRACT IN THE AMOUNT OF \$144,000 TO STEVE DOVALI CONSTRUCTION FOR THE CONSTRUCTION OF WELL SITE IMPROVEMENTS AT PUMP STATION 358 (BID FILE NO. 3087) (DISTRICT NO. 1)

RECOMMENDATION

Staff recommends that the City Council award a contract to Steve Dovali Construction in the amount of \$144,000 to construct well site improvements at Pump Station 358.

EXECUTIVE SUMMARY

The Department of Public Utilities, Water Division, is seeking contractor services for the construction of well site improvements at Pump Station 358 (PS 358). These well site improvements are necessary to provide a complete and operational municipal water well, located in northwest Fresno. Staff recommends award of a contract to Steve Dovali Construction for these services in the amount of \$144,000.

BACKGROUND

The Water Division maintains a network of some 260 plus municipal water supply wells that provides 88% of the City's potable water. New wells are required to meet new demands, replace wells that have reached the end of their useful life, or assist in remediating water quality issues. The proposed well site improvements are to provide a new water well site to meet increased demands in the area.

A well lot was previously secured and the production well has been drilled for this project. The rest of the site improvements are needed to make the pump station operational and comply with the Conditional Use Permit requirements. This new pump station will provide additional water supply in the area which is anticipated to have increasing water demands due to new development.

A notice inviting bids was published in the Business Journal on March 21, 2011 and posted on the City's website. Project plans and specifications were distributed to twenty-eight (28) prospective bidders. Six (6) sealed bid proposals were received and opened in a public opening on April 14, 2011.

Steve Dovali Construction submitted a bid price in the amount of \$144,000 and is considered to be the lowest responsive and responsible bidder. The Staff Determination of Award was posted on the City's website on May 31, 2011. The price is 4% below the Engineer's Estimate of \$150,000. The remaining five (5) bid proposal prices ranged from \$146,960 to \$175,467.

Funding for this project is included in the FY 2011 Budget. This project is located within the UGM 301S area therefore funding source is UGM well supply account.

ENVIRONMENTAL FINDINGS

The project has been previously environmentally assessed. An environmental assessment was completed for the construction of PS 358. Mitigated Negative Declaration EA No. C-09-102 was adopted by the former Director of the City's Planning and Development Department on July 17, 2009, and a Notice of Determination was subsequently filed with the Fresno County Clerk's Office on December 4, 2009. The construction of PS 358, including construction of the well site improvements, was included in the project description and environmentally assessed in the initial study resulting in the finding of a Mitigated Negative Declaration. Staff has performed an analysis and determined that no substantial changes have occurred with respect to the circumstances under which Mitigated Negative Declaration EA No. C-09-102 was adopted, and that no new information, which was not known and could not have been known at the time Mitigated Negative Declaration EA No. C-09-102 was adopted has become available. Therefore, all necessary environmental review required by CEQA has been completed for construction of well site improvements at PS 358 as contemplated by the award of this contract.

CONCLUSION

Council may:

- 1) Award a contract in the amount of \$144,000 to Steve Dovali Construction.
- 2) Reject bid. If bid is rejected, the project will be re-bid, resulting in a delay of approximately sixty (60) days.

FISCAL IMPACT

Funds for the construction of Pump Station 358 are included in Water Division's FY 2011 Capital Improvement Program budget within the UGM 301S Well Supply Fund (40123).

Attachments: Evaluation of Bid Proposals
 Fiscal Impact Statement

EVALUATION OF BID PROPOSALS

FOR: CONSTRUCT WELL HEAD TREATMENT AT PUMP STATION 358

Bid File No. 3087
Bid Opening: 4/14/11

BIDDER'S	TOTAL NET BID AMOUNT
1. Steve Dovali Construction 8461 E Olive Fresno, ca 93737	\$144,000.00
2. Grizzly Construction P.O. Box 26793 Fresno, CA 93729	\$146,960.00
3. Marko Construction 4589 N Marty, #107 Fresno, CA 93722	\$149,236.00
4. Maurin & Doris Construction, Inc 3299 S Cedar Ave. Fresno, CA 93725	\$164,846.40
5. Hobbs Construction 12357 Old Friant Road Fresno, CA 93720	\$166,450.00
6. Smith Construction 2139 N Briarwood Fresno, CA 93705	\$175,467.00

Each bidder has agreed to allow the City sixty-two (64) 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, May 11, 2011 5:00 P.M.

The Engineer's Estimate for this expenditure is \$ 150,000.00 . The contract price is 4 % below the Engineer's Estimate. 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 will construct site improvements to complete Pump Station 358 located at 4262 N. Hayes Avenue, within the UGM 301S area. Once operational, this Pump Station will provide water supply in said UGM area to satisfy demand created by new developments in the area. Funding source for this expense is UGM 301S Well Supply Account.

EVALUATION OF BID PROPOSALS

FOR: CONSTRUCT WELL HEAD TREATMENT AT PUMP STATION 358

Bid File No. 3087
Bid Opening: 4/14/11

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$ 144,000.00
to Steve Dovali Construcion
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval



Title Asst. Director

Date 5/16/11

Approve Dept. Recommendation Approve Finance/Purchasing
Recommendation

Disapprove Disapprove

See Attachment

FINANCE DEPARTMENT

CITY MANAGER

 5/16/2011
Purchasing Manager Date

 5/20/2011
City Manager or Designee Date

 5/16/11
Director Date

FISCAL IMPACT STATEMENT

PROGRAM: Construct Well Site Improvements at Pump Station 358

Project Address: 4262 N. Hayes Ave. Fresno, CA
Project ID: WC00016 Fund: 40123 Org: 411501
CO: SQ002

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$144,000.00</u>	<u>\$144,000.00</u>
Indirect Cost	<u>\$14,400.00</u>	<u>\$14,400.00</u>
TOTAL COST	<u>\$158,400.00</u>	<u>\$158,400.00</u>
Additional Revenue or Savings Generated	<u>\$0.00</u>	<u>\$0.00</u>
Net City Cost	<u>\$158,400.00</u>	<u>\$158,400.00</u>
Amount Budgeted (If none budgeted, identify source)	<u>\$165,000.00</u>	<u>\$165,000.00</u>