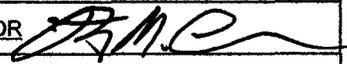


AGENDA ITEM NO.

COUNCIL MEETING

APPROVED BY

for DEPARTMENT DIRECTOR 

CITY MANAGER

January 8, 2008

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

BY: *for* GARTH GADDY, Provisional Water Manager 
Department of Public Utilities - Water Division

SUBJECT: REJECT ALL BIDS FOR FABRICATION AND DELIVERY OF GRANULATED ACTIVATED CARBON DUAL VESSEL MODULES FOR PUMP STATION 2B
(BID FILE 2758)

KEY RESULT AREA

Resource Management

RECOMMENDATION

Staff recommends the City Council reject all bids for fabrication and delivery of Granular Activated Carbon Dual Vessel Modules for Pump Station 2b.

EXECUTIVE SUMMARY

The Department of Public Utilities, Water Division, is seeking to establish a contract for the fabrication and delivery of two (2) granulated activated carbon (GAC) dual vessel modules for treatment of elevated levels of trichloroethylene (TCE) in the groundwater within proximity of Pump Station 2B. Staff recommends that bid received be rejected, as it did not meet the specifications.

KEY OBJECTIVE BALANCE

This contract, which provides for the fabrication and delivery of GAC equipment for Pump Station 2B, supports the three focus areas of Customer Satisfaction, Employee Satisfaction and Financial Management. Customer Satisfaction is derived from the reduction/elimination of groundwater contamination within the customer water supply system. Employee Satisfaction and Financial Management are derived through use of technical expertise in the evaluation and construction of a cost-effective treatment system.

BACKGROUND

This project is to provide for construction of a treatment system for the reduction/elimination of elevated groundwater TCE concentrations within proximity of Pump Station 2B.

Specifications were prepared for the fabrication and delivery of granular activated carbon dual vessel modules for pump station 2B. A Notice Inviting Bids was published in the Business Journal on October 17, 2007, and was also posted on the City's web site. The specifications were distributed to six prospective bidders. One sealed bid proposal was received and opened in a public bid opening on November 8, 2007. Reasons for other companies failing to place bids included scope of work too large or the specifications were not forwarded

REPORT TO THE CITY COUNCIL

Fabrication and Delivery of Granular Activated Carbon Dual Vessel Modules for Pump Station 2B

January 8, 2008

Page 2

to the appropriate persons within the companies. The one bid received was from Westech Engineering of Salt Lake City, Utah, in the amount of \$538,104.21. However, on November 30, 2007, Westech Engineering notified the City that their pricing was incomplete, i.e., the proposed price was for only half of the specified equipment. Therefore, staff recommends that the Westech Engineering's bid be rejected.

Council may reject the bid. If the bid is rejected, the project will be re-bid, resulting in a delay of approximately 60 days.

FISCAL IMPACT

Funding for this project was included in the FY08 Budget. Any future work for fabrication and delivery of granular activated carbon dual vessel modules for pump station 2B will be funded from appropriations approved as part of the adoption of the FY08 Budget

Attachment:

- Evaluation of Bid Proposals

EVALUATION OF BID PROPOSALS

FOR: GRANULAR ACTIVATED CARBON VESSELS FOR PS # 2B

Bid File No.2758
Bid Opening: 11/8/07

BIDDER'S	TOTAL NET BID AMOUNT
Westech Engineering, Inc. 3625 S West Temple Salt Lake City, Utah 84115	\$538,104.21

Each bidder has agreed to allow the City sixty-two (62) 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, December 5, 2007, 5:00 P.M.

The Budget Allocation for this expenditure is \$657,000.00. The contract price is 18.1% above/below the Budget Allocation. 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):

Groundwater TCE concentrations were shown to be over MCL's established by the EPA, resulting in taking this high production well (PS2B) out of service. Subsequent to treatment alternatives presented through a previous Professional Consultant Agreement, Granulated Activated Carbon (GAC) was determined to be the most viable and cost-effective option.

EVALUATION OF BID PROPOSALS

FOR: GRANULAR ACTIVATED CARBON VESSELS FOR PS # 2B

Bid File No.2758
Bid Opening: 11/8/07

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$ _____
to _____
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason: The one bid received has been determined to be non-responsive. The bidder did not meet the technical requirements of the specifications and took exception to several contract terms and conditions.

Department Head Approval

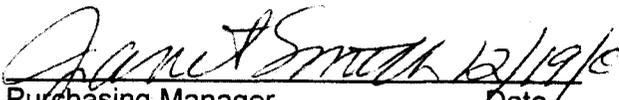


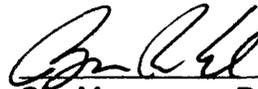
Title DIRECTOR
Date 12/12/07

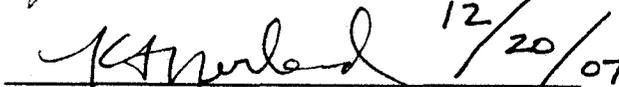
- Approve Dept. Recommendation Approve GSD/Purchasing Recommendation
- Disapprove Disapprove
- See Attachment

GENERAL SERVICES DEPARTMENT

CITY MANAGER

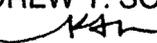

Purchasing Manager Date 12/19/07


City Manager or Designee Date 12/21/07


Director Date 12/20/07



General Services Department

DATE: December 20, 2007
TO: ANDREW T. SOUZA, City Manager
THROUGH:  KENNETH A. NERLAND, Director
General Services Department
FROM:  JANET SMITH, Purchasing Manager
Purchasing Division
SUBJECT: STAFF DETERMINATION TO BY PASS THE BID OF WESTECH ENGINEERING OF
SALT LAKE CITY, UTAH, AS NON-RESPONSIVE TO THE SPECIFICATIONS –
GRANULAR ACTIVATED CARBON VESSELS FOR PS #2B
(Bid File No. 2758)

In accordance with Resolution 2003-129, I am hereby notifying you that Westech Engineering of Salt Lake City, Utah, may not be responsive to the specifications for the reasons indicated.

The one bidder did not meet the technical requirements of the specifications (bid only half the specified equipment) and took exception to several contract terms and conditions.

Accordingly, Westech Engineering has tentatively been determined to be non-responsive to the specifications

In accordance with procedures, the bidder will be given the opportunity to appeal under Resolution 2003-129.

Staff has determined that the bid from Westech Engineering should be rejected. Staff recommends re-bidding the project.

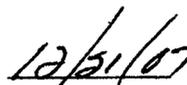
Approve Bypass Recommendation
of the Purchasing Manager

Disapprove

CITY MANAGER



City Manager or Designee



Date