

EVALUATION OF BID PROPOSALS

FOR: RECYCLED WATER TRANSMISSION MAIN, SOUTHWEST QUADRANT, PROJECT SW4

Bid File No. 3505
Bid Opening: MAY 30, 2019

<u>BIDDERS</u>	<u>BID AMOUNT</u>
1. Teichert Construction 5771 South Toyota Avenue Fresno CA 93725	\$12,740,399.00 <i>mp</i>
2. Mountain Cascade, Inc. 555 Exchange Court Livermore CA 94550	\$12,995,924.00 <i>mp</i>
3. Floyd Johnston Construction Co., Inc, 2301 Herndon Avenue Clovis CA 93611	\$18,732,971.00 <i>mp</i>

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 Monday, June 24, 2019, 5:00 P.M.

The Engineer's Estimate for this expenditure is \$9,900,000. The contract price is 28.7% above the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

The lowest bid was 28.7% over the Engineer's Estimate for this Project mainly for two reasons: 1) costs of domestic raw materials for the pipes and valves have gone up significantly, and 2) the expenses associated with coordination of traffic control related to the construction activities associated with High Speed Rail projects that are ongoing, or will be starting up in the near future, within the vicinity of this Project.

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

In 2009, the State of California adopted a recycled water policy establishing a mandate to increase the use of recycled water in California by 200,000 acre-feet per year by 2020 and an additional 300,000 acre-feet per year by 2030. The Recycled Water Master Plan prepared by the Department of Public Utilities identifies opportunities to assist with compliance of this law by reducing groundwater pumping and replacing groundwater with recycled water for non-potable purposes (i.e. outdoor irrigation, dust control, fountains, etc.). On April 11, 2013, the City Council adopted the Recycled Water Master Plan and associated environmental documents.

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On June 27, 2013, the City Council approved a design contract for the RWTM, Southwest Quadrant, starting at the RWRP. When completed, the RWTM, Southwest Quadrant, will connect the Tertiary Treatment facility located at RWRP at West Jensen Avenue and South Cornelia Avenue with Fresno Memorial Gardens Cemetery and other cemeteries, Roeding Park, and the Fresno downtown area as shown on the attached Vicinity Map. This system will ultimately serve several cemeteries, City parks (including Roeding Park), water recharge basins, schools, industrial, urban, and agricultural users.

On December 11, 2014, the Council authorized the submission of an application to the State Water Resources Control Board (SWRCB), State Revolving Fund (SRF) for the financing of the construction of the RWTM, Southwest Quadrant. The loan was approved by the SWRCB on August 3, 2015, and provides up to \$52,475,049 of financing at a 1% interest rate for the RWTM, Southwest Quadrant. The loan covers the design, construction and construction management for the installation of approximately 21 miles of recycled water transmission main.

The award of this Project is the fifth of six phases of the RWTM, Southwest Quadrant, and is approximately 3.3 miles in length. Phase five will continue from phase four and convey recycled water through a 24-inch diameter recycled water main (RWM) in South Trinity Street heading south from East Lemon Avenue/East San Joaquin Street Alley to East Kearney Boulevard, east along East Kearney Boulevard to A Street, southeast along A Street to Inyo Street, northeast along Inyo Street to H Street, west along H Street to Mariposa Street, north along Mariposa Street to Broadway Street, west along Broadway Street to Fresno Street, northeast along Fresno Street to East Illinois Avenue, and in Divisadero Street from Fresno Street to the State Route 41 right-of-way. Additionally, a 6-inch diameter RWM will be constructed in Fresno Street from A Street to the State Route 99 right-of-way.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$12,740,399 to Teichert Construction as the lowest responsive and responsible bidder.

Remarks:


Reject all bids. Reason:

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Department Head Approval


Dejan Pavic, PE

Title Public Utilities Manager

Date 06/05/2019

An all areas/all trades Female participation goal of 6.9% was established for this project. The recommended Contractor complied with these requirements pursuant to the bid specifications.

 6/5/19
DBE Program Coordinator Date

Approve Dept. Recommendation

Approve Finance/Purchasing Recommendation


Disapprove

Disapprove

See Attachment

FINANCE DEPARTMENT

CITY MANAGER

 06/05/2019
Purchasing Manager Date

 6/7/19
City Manager or Designee Date

 6/5/19
Finance Director Date

FISCAL IMPACT STATEMENT

PROGRAM: RECYCLED WATER TRANSMISSION MAIN, SOUTHWEST
 QUADRANT, PROJECT SW4
 Fund: 40528, Org: 414501, Proj. ID: TC00096, Activity: 4CCNT,
 Res Type: SW001, Account: 57507

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$12,740,399.00</u>	_____
Indirect Cost	<u>\$755,000.00</u>	_____
TOTAL COST	<u>\$13,495,399.00</u>	_____
Additional Revenue or Savings Generated	<u>\$0.00</u>	_____
Net City Cost	<u>\$13,495,399.00</u>	_____
Amount Budgeted (If none budgeted, identify source)**	<u>\$13,950,700.00</u>	_____
<u>*Indirect Cost</u>		
Inspection	<u>\$520,000.00</u>	
Administration	<u>\$120,000.00</u>	
Contract Compliance	<u>\$65,000.00</u>	
Other	<u>\$50,000.00</u>	

** Amount budgeted is included in the total amount budgeted for Projects SW1D and SW4 (\$27,950,700)

A 30-year State Revolving Fund (SRF) loan at the annual interest rate of 1% has been secured for this Project. This Project is funded through SRF loan fund 40528. This Project will not impact the General Fund.