

**EVALUATION OF BID
PROPOSALS**

FOR: NE SWTF PERMANENT CALCIUM HYDROXIDE FEED SYSTEM

Bid File No. 3528
Bid Opening: 2/16/17

BIDDERS

TOTAL NET BID AMOUNT

- | | |
|---|--------------|
| 1. Smith Construction Company Inc. 2139 N Briarwood Ave. Fresno, CA 93705 | \$225,782.28 |
|---|--------------|
-

Each bidder has agreed to allow the City sixty-four (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 Monday, February 27, 2017 5:00 P.M.

The Engineer's Estimate for this expenditure is \$190,000.00. The contract price is 18.8% above the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

Concrete is in high demand and premium costs due to high volume of construction projects in this area. In addition the electrical work and other interface connections need to be made for City supplied equipment adding to the scope of work, coordination and implementation needed to complete the project.

The price is reflective of the specialization of the contractor providing this work. Calcium Hydroxide feed system is not common in the industry and the price fluctuation is reflective of their level of expertise and availability for new special projects. This is reflective of receiving only one bid.

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

The City has previously conducted water treatment trials using calcium hydroxide for alkalinity adjustment, pH adjustment, and calcium addition at the NESWTF. During the previous water treatment trials, operational challenges were encountered with the use of calcium hydroxide. During calendar year 2016, DPU conducted additional treatment trials using calcium hydroxide, and implemented mitigation measures to address the previously encountered challenges. The mitigation measures implemented by DPU during calendar year 2016 proved successful, and DPU proposes to construct a permanent calcium hydroxide feed system at the NE SWTF.

The permanent calcium hydroxide feed system will require the purchase of two 4,050 gallon polyethylene storage tanks and mixers to store bulk calcium hydroxide solution, construction of

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a storage tank pad with a spill containment, a dual-metering pump skid, and related piping, electrical, controls, and appurtenances. The cost of the permanent Ca(OH)₂ chemical feed system is estimated at \$500,000. Due to the current scheduled maintenance shutdown of the NESWTF, funding has been appropriated during the current fiscal year to facilitate installation of the permanent Ca(OH)₂ chemical feed system to replace existing kludged temporary system currently used.

On Wednesday, January 27, 2017, completed project plans and specifications were made available and advertised on PlanetBids Bids Online as a new City construction project. On Thursday, February 2, 2017, a mandatory project pre-bid meeting was held in the Upstairs Conference Room at the Northeast Surface Water Treatment Facility located at 10120 N. Chestnut Avenue, Fresno, California. Ten (10) Building Exchanges received faxed "Notice of Inviting Bids" and 20 Plans and Specifications were distributed to prospective bidders

The sole sealed bid proposal received and publicly opened on February 16, 2017 was the Smith Construction Company Inc. Smith Construction Company Inc. was the sole responsive and responsible bidder submitting a bid price in the amount of \$225,782.28. The bid will expire within 64 days of bid opening, namely April 21, 2017. The Staff Determination of Award will be posted on the City's website when this evaluation is approved.

Funds for this project are available in the Water Division's DBCP Recovery Fund.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$ \$225,782.28
to Smith Construction Company, Inc.
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

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Department Head Approval



Title: Director of Public Utilities

Date: 2-27-17


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

FINANCE DEPARTMENT

CITY MANAGER


Purchasing Manager 3-1-17
Date


City Manager or Designee 3/8/17
Date


Finance Director 3/1/17
Date

FISCAL IMPACT STATEMENT

PROGRAM: Calcium Hydroxide Chemical Feed System
 (Fund 40110, Org 411501, Project ID WC00021)

| <u>RECOMMENDATION</u> | <u>TOTAL OR CURRENT</u> | <u>ANNUALIZED COST</u> |
|---|-----------------------------------|------------------------|
| Direct Cost | <u>\$392,282.28⁽¹⁾</u> | _____ |
| Indirect Cost | <u>\$107,667.72</u> | _____ |
| TOTAL COST | <u>\$499,950.00</u> | _____ |
| Additional Revenue or Savings Generated | <u>\$0.00</u> | _____ |
| Net City Cost | <u>\$499,950.00</u> | _____ |
| Amount Budgeted (If none budgeted, identify source) | <u>\$499,950.00</u> | _____ |

⁽¹⁾ Direct cost breakdown:

| | |
|------------------------------|---------------------|
| Construction Contract | \$225,782.28 |
| Equipment Purchase | \$125,000.00 |
| City Internal Construction | <u>\$ 41,500.00</u> |
| Total | <u>\$392,282.28</u> |