

FOR: REGIONAL TRANSMISSION MAIN - SEGMENT A1

Bid File No.3449-2
Bid Opening:6/7/16

<u>BIDDERS</u>	<u>BID AMOUNT</u>
1. Mountain Cascade 555 Exchange Ct. Livermore, CA 94550	\$28,471,884.00
2. W.A. Rasic Construction Co., Inc. 4150 Long Beach Blvd Long Beach, CA 90807	\$28,913,546.00
3. Ranger Pipelines, Inc. P.O. Box 24109 San Francisco, CA 94124	\$31,477,070.00
4. L.H. Woods & Sons, Inc. 2115 La Mirada Drive Vista, CA 92081	\$35,190,000.00
5. Garney Pacific, Inc. 3049 Independence Dr. Ste. E Livermore, CA 94551	\$37,185,510.00*

*Non-responsive – did not attend the mandatory prebid meeting.

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, July 4 by 5:00 P.M.

The Engineer's Estimate/Budget Allocation for this expenditure is \$25,000,000. The contract price is 14% above the Engineer's Estimate/Budget Allocation. If the overage is greater than 10% or only one bid was received, give explanation:

As the Engineer's Estimate was being prepared and finalized for this project, the City opened bids on two other large-diameter welded-steel pipeline projects (Recycled Water Segment SW1C and Kings River Pipeline). The pipe prices in those bids were lower than the Engineer's Estimate for those projects. Therefore, the estimate for this project was adjusted to be more consistent with those bids and more recent budget prices received from pipe manufacturers. However, between the time the final Engineer's Estimate was prepared in April and the bid opening in early June, the price for steel plate used to manufacture the pipeline increased significantly and the primary pipe supplier for Central California had accumulated orders for over 100,000 feet of large-diameter steel pipeline. This had the effect of raising the price of the pipe required for this project by approximately 70%, which substantially accounts for the

FOR: REGIONAL TRANSMISSION MAIN - SEGMENT A1

Bid File No.3449-2
Bid Opening:6/7/16

difference between the Engineers Estimate and the lowest responsive and responsible bid.

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

On February 26, 2015, the City Council adopted a five-year water utility rate plan to finance the construction of a five-year water capital plan totaling approximately \$429 million. The five-year capital plan included the construction of the Phase 2 Regional Transmission Mains that will convey water from the SESWTF to the existing water distribution system through a network of approximately 13 miles of large diameter pipelines. The Project is the first of four Phase 2 Regional Transmission Main segments that will be constructed and it includes the construction of approximately five miles of 48- to 66-inch diameter pipeline.

On January 7, 2016, the City Council authorized the Director of Public Utilities to accept and execute a \$63,100,000 SRF Low-Interest Loan through the SWRCB for construction of the Phase 2 Regional Transmission Mains. The SRF low-interest loan will fully finance the construction of the Phase 2 Regional Transmission Mains.

Five sealed bid proposals were received and publicly opened on June 7, 2016. Mountain Cascade, Inc. submitted a bid price in the amount of \$28,471,884 and is considered to be the lowest responsive and responsible bidder. The Staff Determination of Award will be posted on the City's website when this evaluation is approved. The remaining four bids ranged in price from \$28,913,546 to \$37,185,510.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$28,471,884.00 to Mountain Cascade as the lowest responsive and responsible bidder.

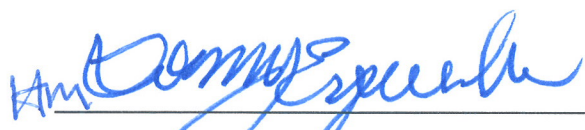
Remarks:

Reject all bids. Reason:

FOR: REGIONAL TRANSMISSION MAIN - SEGMENT A1

Bid File No.3449-2
Bid Opening:6/7/16

Department Head Approval


 Title Director of Public Utilities
 Date 6/23/2016

The recommended Contractor complied with the DBE requirements pursuant to the bid specifications.

 6/23/16
 DBE Program Coordinator Date

Approve Dept. Recommendation

Approve Finance/Purchasing Recommendation

Disapprove

Disapprove

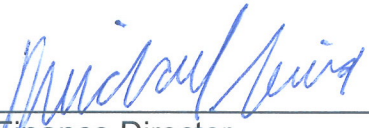
See Attachment

FINANCE DEPARTMENT

CITY MANAGER

 6/23/16
 Purchasing Manager Date

 6/24/16
 City Manager or Designee Date

 6/24/16
 Finance Director Date

FISCAL IMPACT STATEMENT

PROGRAM: Phase 2 Regional Transmission Mains – Segment A1 (WC00065)

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$28,471,884</u>	_____
Indirect Cost	<u>\$9,172,900</u>	_____
TOTAL COST	<u>\$37,644,784</u>	_____
Additional Revenue or Savings Generated	<u>\$0</u>	_____
Net City Cost	<u>\$37,644,784</u>	_____
Amount Budgeted (If none budgeted, identify source)	<u>\$54,929,300</u>	_____