



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent
July 21, 2009

Honorable Mayor and
Members of the City Council

Title: Pocket Area Water Service Retrofit (Z14010013)

Location/Council District: Various residential and commercial properties in the City of Sacramento (see location map at Attachment 1)/Council District 7.

Recommendation: Adopt a **Resolution** 1) approving the contract plans and specifications for the Pocket Area Water Service Retrofit Project; and 2) awarding the contract to Navajo Pipelines, Inc. for an amount not to exceed \$1,109,915.

Contact: Michael Malone, Field Services Manager, 808-6226; Craig Robinson, Water Distribution Superintendent, 808-7334

Presenters: N/A

Department: Utilities

Division: Field Services

Organization No: 14001411

Description/Analysis

Issue: This project is necessary to meet the requirements of Assembly Bill 2572 by installing water meters on existing water services within the City of Sacramento. This law set a deadline of 100% metering of all residential and commercial accounts by 2025.

Policy Considerations: This action is in conformance with City Code Chapter 3.60 Articles I and III, which provide that the City Council may award competitively bid contracts to the lowest responsible bidder.

Environmental Considerations: : The Development Services Department, Environmental Planning Services Division, has reviewed the proposed project and has determined that this project is categorically exempt from CEQA (the California Environmental Quality Act) under Class 1, Section number 15301(b) and (c) and Class 3, Section number 15303(d) of the CEQA Guidelines. Projects exempt under Class 1, Section number 15301(b) and (c) consist of minor alteration or repair of existing utility facilities and sidewalks. Projects exempt under Class 3, Section number 15303(d) consist of installation and location of new, small utility facilities. A notice of categorical exemption will be filed with the County Clerk after City Council award of the Project.

Sustainability Considerations: The project is consistent with the Sustainability Master Plan goals to help to improve water conservation awareness, by providing a monthly statement of water usage to the customers. The Meter Retrofit furthers the Cities progress in implementing the Water Forum Agreement and the California Urban Water Conservation Council Best Management Practices (BMPs 1, 4, and 7).

Rationale for Recommendation: This project is part of the plan developed by the Department of Utilities based on the implementation guidelines approved by Council. This project will install 915 meters on unmetered residential and commercial water services within the project area.

On June 17, 2009, the City Clerk opened eleven bids. Upon receipt of bids, City staff reviewed the bid of the apparent low bidder, Argonaut Constructors, and determined that the bid did not meet the minimum ESBE participation level of 20% and therefore is considered non-responsive. Staff determined that the bid from the second lowest bidder, Navajo Pipelines, Inc. meets the minimum ESBE participation level of 20% and therefore staff recommends the contract be awarded to Navajo Pipelines, Inc. for an amount not to exceed \$ 1,109,915.

Financial Considerations: The total estimated project cost including design, construction, City supplied materials, inspection and contingency is \$1,460,000. There is sufficient funding in the Pocket Area Water Service Retrofit Project (Z14010013 Fund 6005) to award the contract and complete the project.

Emerging Small Business Development (ESBD): This project included a participation goal of 20% for emerging and small business enterprises (ESBEs) as required by Ordinance 99-007 and Resolution 99-055, relating to ESBD participation goals and policies, adopted by the City Council on February 9, 1999. The lowest responsible bidder, Navajo Pipelines, Inc. exceeds this goal with an ESBE participation level of 96.84%

Respectfully Submitted by: Michael Malone
Michael Malone
Field Services Manager

Approved by: Marty Hanneman
Marty Hanneman
ACM/Director of Utilities

Recommendation Approved:

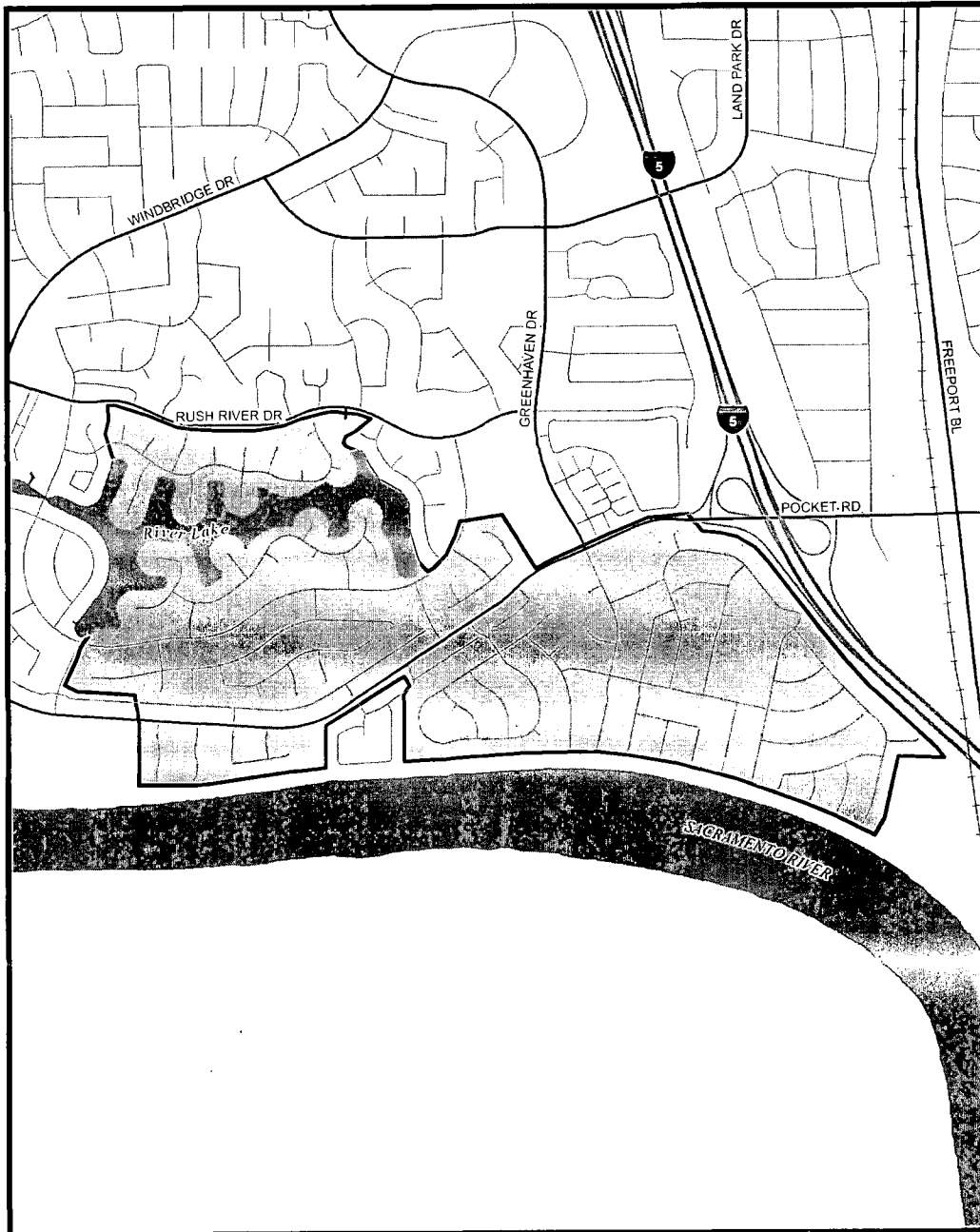
Ray Kerridge
Ray Kerridge
City Manager

Table of Contents:

Report	pg. 1-3
Attachments	
1 Location map	pg. 4
2 Background	pg. 5
3 Resolution	pg. 6

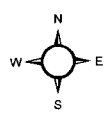
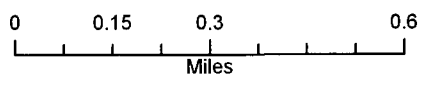
Attachment 1

LOCATION MAP
WATER METER RETROFIT
POCKET AREA



File: R:\Maps\2009\049_A09s_Meter_Retrofit_Stummaps\Pocket_Area_Meter_Retrofit.mxd

Map Prepared By
City of Sacramento
Department of Utilities



Attachment 2

BACKGROUND

On September 24, 2004, Governor Arnold Schwarzenegger signed Assembly Bill 2572 into law. The law set a deadline of 100% metering of all residential and commercial accounts by 2025.

On May 24, 2005, the City Council adopted Resolution 2005-347, directing that water meters be installed according to a plan developed using the following implementation criteria: spreading meter installation projects throughout the City, coordinating water meter installation with the replacement of old water mains, and continuing to add new meter installation projects that are adjacent to completed projects.

This project is part of the five year plan developed by the Department of Utilities based on the implementation guidelines approved by Council. This project will install 915 meters on unmetered residential and commercial services within the project area.

All retrofit projects are coordinated with public outreach to customers and stake holders.

This project was advertised on May 26, 2009 and eleven (11) bids were received and opened by the City Clerk on June 17, 2009. The bids are summarized below:

Contractor	Bid Amount	ESBE %
Argonaut Constructors	1,085,069	3.7
Navajo Pipelines, Inc.	1,109,915	96
Florez Paving	1,284,250	90
Frank Medina	1,297,720	100
BRC Construction	1,409,525	100
United Building Construction	1,425,754	100
Sierra National Construction	1,595,250	20
Marques Pipelines	1,681,250	21
Flowline Construction	1,719,716	96
Arrow Construction	1,759,671	20
Teichert Construction	1,769,350	25

The engineer's estimate was \$ 1,785,000.

On June 17, 2009, the City Clerk opened eleven bids. City staff reviewed the bid of the apparent low bidder, Argonaut Constructors, and determined the bid did not meet the minimum ESBE participation level of 20% and therefore is considered non-responsive. Staff determined the bid from the second lowest bidder, Navajo Pipelines, Inc. meets the minimum ESBE participation level of 20% and therefore staff recommends the contract be awarded to Navajo Pipelines, Inc. for a amount not to exceed \$ 1,109,915.

Attachment 3

RESOLUTION NO.

Adopted by the Sacramento City Council

**AWARD CONTRACT FOR POCKET AREA WATER SERVICE RETROFIT
(Z14010013)**

BACKGROUND

- A. State law requires the City of Sacramento to install water meters on all residential and commercial water services.
- B. City staff prepared plans and specifications to retrofit water services within the project area known as the Pocket Area Water Service Retrofit Project (Z14010013).
- C. The bid submitted by the apparent low bidder, Argonaut Constructors, did not meet the contract's minimum Emerging and Small Business Enterprise participation level of 20% and therefore is non-responsive.
- D. Navajo Pipelines, Inc. was the lowest responsive responsible bidder for this Project.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The contract plans and specifications for the Pocket Area Water Service Retrofit Project (Z14010013) are approved, and the contract is awarded to Navajo Pipelines, Inc. for an amount not to exceed \$1,109,915.