

CITY OF YUBA CITY
STAFF REPORT

Date: September 15, 2009
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation by: George Musallam, Public Works Director

Summary

Subject: Stimulus Water Meter Retrofit Project (Award of Contract)

Recommendation:

- a. Award Contract No. 09-20, Stimulus Water Meter Retrofit Project, to United Building Contractors of Chico, CA in the amount of their bid of \$1,479,955.
- b. Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney.
- c. Authorize supplemental appropriations in the amount received for reimbursable work performed under the Stimulus Water Meter Retrofit Project from the State of California to Account No. 941042 (Water Meter Installation).

Fiscal Impact: \$2,054,955 – Account No. 941042 (Water Meter Installation) broken down as follows:

- \$1,479,955 – Account No. 941042-65501 (Construction)
- \$75,000 – Account No. 941042-65502 (Design/Engineering)
- \$200,000 – Account No. 941042-65503 (Const/Admin Cost)
- \$300,000 – Account No. 941042-65504 (Contingency)

Background:

In February 2009, the U.S. Congress passed the 2009 American Recovery and Reinvestment Act (ARRA), which was signed in to law on February 17, 2009. This legislation provides ~\$2 billion nationwide for utilization through the states Drinking Water State Revolving Funds for needed and expeditious drinking water infrastructure projects.

The Utilities Department submitted an application for a water meter retrofit project to the California Department of Public Health (CDPH) to install water meters on existing water services served by the City's surface water and ground water systems that do not currently have meters. Initially, the application was denied. However, the Utilities Department asked CDPH to reconsider, and the City was notified that the project is eligible for \$3.5 million in ARRA funding.

The Stimulus Water Meter Retrofit Project involves the installation of approximately 3,200 one inch (1") water meters on existing water services. The majority of the water services are located in Regions 1, 2, and 3 of the ground water system (see attached exhibit).

Analysis:

The project was advertised for bid in July and August 2009. Plans and specifications were provided to local builder/contractor exchanges and purchased by 27 contractors/suppliers. On August 21, 2009, 12 bids were received and opened in the City Clerk's office. A list of the bids received and the engineer's estimate are shown below.

<u>Company</u>	<u>Bid Amount</u>
United Building Contractors, Chico	\$1,479,955.00
Bobby Martin Construction, Redding	\$1,743,770.00
Marques Pipeline, Sacramento	\$2,073,050.00
North Star Construction, Yuba City	\$2,116,670.00
Lamon Construction, Yuba City	\$2,139,979.00
A. Teichert & Son, Inc., Davis	\$2,380,965.00
Preston Pipelines, Milpitas	\$2,403,910.87
Fletcher's Plumbing, Yuba City	\$2,577,252.00
West Valley Construction Company, San Jose	\$2,717,818.00
Navajo Pipelines, Sacramento	\$2,743,086.00
Tidelands Construction Company, Brentwood	\$3,113,608.00
North Bay Construction, Petaluma	\$3,421,342.00
Engineer's Estimate	\$2,130,000.00

United Building Contractors of Chico, CA is the low bidder.

Contract administration and inspection of the project will be performed by Public Works Department staff, with assistance from Utilities Department staff with ARRA reporting requirements. Project construction is expected to begin in December and continue through July 2010, weather permitting.

Fiscal Impact:

Since the bid came in less than the engineer's estimate, CDPH requested that staff revise the project cost estimate in order for them to release the excess funds for other ARRA projects. This reduces the grant amount to \$2,912,564.50 which still covers the cost of the project. The breakdown is as follows:

<u>Cost Classification</u>	<u>Total</u>
A. Construction Costs	\$1,479,955.00
B. Engineering Costs	\$75,000.00
C. Construction Management & Inspection	\$200,000.00
D. Equipment Costs	\$857,609.50
E. Contingencies	<u>\$300,000.00</u>
Total Cost:	\$2,912,564.50

The equipment costs identified above are for the purchase of the water meters, meter boxes, and lids which will be supplied to the Contractor.

The Funding Agreement for the ARRA grant is set up such that the City will have to request reimbursement from the State for eligible project costs. Start up costs for the project will initially be funded through Unallocated Water Reserve until such time as reimbursement monies are collected from the State and deposited into the project account.

Alternatives:

Do not award the contract and reject all bids.

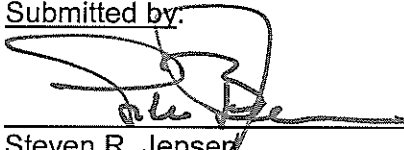
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Prepared by:

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Department Head

Finance

City Attorney

GM
MB

City of Yuba City

- Flat Rate Surface Water
- Region 1
- Region 2
- Region 3

