

COUNTY OF SONOMA AGENDA ITEM SUMMARY REPORT	Clerk of the Board Use Only	
	Meeting Date <hr/>	Held Until <hr/>
	Agenda Item No: <hr/>	Agenda Item No: <hr/>

Department: Sonoma Valley County Sanitation District	() 4/5 Vote Required
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Contact: Victor Swift Bob Cortelyou	Phone: (707) 547-1975 (707) 547-1954	Board Date: 06-16-09	Deadline for Board Action:
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AGENDA SHORT TITLE:
 Sonoma Valley CSD Treatment Plant Aboveground Diesel Fuel Tank - Approval of Plans and Specifications and Construction Contract Award

REQUESTED BOARD ACTIONS:
 Resolution:

1. Making findings regarding experience requirements;
2. Making findings that "no substitutions" are permitted for solenoid valves and the Day Tank Retrofit in order to match existing items in use;
3. Authorizing the General Manager/Chief Engineer of the Sonoma County Water Agency, acting on behalf of the Sonoma Valley County Sanitation District to file a Notice of Exemption in conformance with the provisions of the California Environmental Quality Act;
4. Adopting plans and specifications for the Sonoma Valley County Sanitation District Treatment Plant Aboveground Diesel Fuel Tank;
5. Authorizing the General Manager/Chief Engineer of the Sonoma County Water Agency, acting on behalf of Sonoma Valley County Sanitation District, to administer the contract, including taking specified actions.
6. Rejecting the bids of Arnold Construction Company, West Star Environmental, Inc., and Bay Pacific Pipeline, Inc., as non-responsive and accepting the bid of Paradiso Mechanical, Inc., as the lowest, responsible, and responsive bid for the Sonoma Valley County Sanitation District Treatment Plant Aboveground Diesel Fuel Tank and letting the contract for construction to Paradiso Mechanical, Inc. for \$344,865; and
7. Approving Document 00610 (Construction Performance Bond) and Document 00620 (Construction Payment Bond).

CURRENT FISCAL YEAR FINANCIAL IMPACT			
<u>EXPENDITURES</u>		<u>ADD'L FUNDS REQUIRING BOARD APPROVAL</u>	
Estimated Cost	\$ 344,865	Contingencies	\$
Amount Budgeted	\$ 700,000	(Fund Name:) Unanticipated Revenue	\$
Other Avail Approp (Explain below)	\$	(Source:) Other Transfer(s)	\$
Additional Requested:	\$ -0-	(Source:) Add'l Funds Requested:	\$ -0-

Explanation (if required):
 The \$700,000 also includes \$100,000 for the future work allocated with removal or abandonment of the existing under ground diesel fuel tank.

Prior Board Action(s):

Alternatives - Results of Non-Approval:
 The Sonoma Valley County Sanitation District would continue use of the existing underground tank with the risk and liability associated with that option.

Background: Specifications, Engineer's Memos, Bids, letters requesting clarifications of bid deficiencies/discrepancies, and Bonds are on file with the Clerk.

The Sonoma Valley County Sanitation District Treatment Plant Aboveground Diesel Fuel Tank (Project) consists of providing an 8,000-gallon aboveground diesel fuel tank at Sonoma Valley County Sanitation District's (Owner) treatment plant located at 22675 8th Street East, Sonoma, California, outside the limits of the City of Sonoma. The work includes, in addition to the 8,000-gallon fuel tank, modification of equipment, controls, and piping for the existing Pryco day tank, related grading, concrete foundation, underground utility work, piping, valves, controls, safety devices, miscellaneous electrical work, providing 500 gallons of diesel fuel, providing a switchover of fuel piping from existing to new tank system, and transferring of diesel fuel from Owner's existing underground tank to the new aboveground tank.

The Permit and Resource Management Department's Building and Electrical Permit has been issued and received.

Experience requirements for the bidder to be found responsible were included in Document 00200 of the Project Manual and are described on A1. A memo explaining the need for the specific experience requirements for this Project is on file with the Clerk.

An Engineer's memo explaining the reasons no substitutions are permitted for solenoid valves and the Pryco Day tank Retrofit Package is on file with the Clerk.

Bids for construction of said Project were received on Thursday, May 7, 2009, as follows:

Arnold Construction Company, Fulton, CA	\$285,000
West Star Environmental Inc., Fresno, CA	\$309,893
Bay Pacific Pipelines Inc., Novato, CA	\$323,500
Paradiso Mechanical, San Leandro, CA	\$344,865
Interstate Construction, Roseville, CA	\$371,876

The engineer's estimate was \$350,000.

Discussion of Bids:

Document 00200 (Instructions to Bidders), Paragraph 20 (Evaluation of Bidder Responsibility) provides: "...Owner will notify Apparent Low Bidder in writing of any deficiencies found and will provide Bidder the opportunity to respond in writing with reasonable clarifications but will not allow any changes in the nature of the Bidder as a business entity."

"If any Apparent Low Bidder is determined to be non-responsive or non-responsible, Owner may open the next Apparent Low Bidder's Envelope "B" pursuant to any procedures determined in Owner's reasonable discretion, and proceed for all purposes as if this Apparent Low Bidder were the original Apparent Low Bidder."

B1
Continued...

Attachments: Resolution (R1) Attachment (A1)

On File With Clerk: 1. Plans and specifications 2. Engineer's Memos 3. Bids 4. Letters requesting clarifications of bid deficiencies/discrepancies 5. Bonds

Section 1.01 CLERK OF THE BOARD USE ONLY

Board Action If other than "Requested")

Vote:

Background Continued:

The first three bids, Arnold Construction Company (Arnold), West Star Environmental, Inc. (West Star) and Bay Pacific Pipeline, Inc. (Bay Pacific), were rejected because they were non-responsive with material omissions.

Arnold's bid was non-responsive because Arnold only listed one of the required two projects that met the minimum experience requirements. The minimum experience requirement in order to submit a bid is "Within the past five years completed two construction projects of a similar nature and complexity with a contract dollar amount of at least \$100,000 each. For a project to be considered of similar nature and complexity...it must include the installation of an aboveground fuel tank (1,000-gallon capacity or larger), both underground and aboveground fuel piping and appurtenances, and fuel and fuel leak monitoring instrumentation..."

Failing to list two projects meeting the minimum requirements is a material omission because the Board has determined that the experience requirements are necessary for a bidder to be eligible to submit a bid.

West Star's bid was non-responsive because it did not contain the required "Letter of Assurance Regarding Performance and Payment Bonds" (Letter). The omission of the required Letter is material because the Performance and Payment Bonds are a statutory requirement. Bidders were required to submit the form Letter that was provided in the bidding documents or a letter from their surety, in substantially the same form. Bidder's were cautioned that modification of the form may result in rejection of the bid as non-responsive. The Letter was to assure that bonds would be executed in accordance with the requirements set forth in the Performance and Payment Bonds included in the Project Manual, if their client were deemed the successful bidder. Failure to provide that assurance makes the omission material.

Bay Pacific's bid was non-responsive because neither of the two projects listed met the minimum requirements. As stated above, the bidder must possess the required minimum experience in order to be eligible to submit a bid. Thus the omissions from Bay Pacific's bid were material.

The fourth bid of Paradiso Mechanical, Inc. was responsive. The omissions from Paradiso's bid were determined to be minor irregularities. Paradiso did not complete the "Major Products List" nor provide a copy of their CalOSHA Form 300A for 2008. The omission of the Major Products List is not material because the Project Manual provides for substitution of the listed products after award. Omission of the CalOSHA Form 300A is not material because the data contained in the form has already been documented by a third party. The data cannot be altered by the Contractor; therefore, no advantage over other bidders can occur.

Recommendations:

The General Manager/Chief Engineer of the Sonoma County Water Agency, on behalf of the District, recommends that the Board Making findings regarding experience requirements; make findings that "no substitutions" are permitted for solenoid valves and the Day Tank Retrofit in order to match existing items in use; authorizing the General Manager/Chief Engineer of the Sonoma County Water Agency, acting on behalf of the Sonoma Valley County Sanitation District to file a Notice of Exemption in conformance with the provisions of the California Environmental Quality Act; adopting plans and specifications for the Sonoma Valley County Sanitation District Treatment Plant Aboveground Diesel Fuel Tank; authorizing the General Manager/Chief Engineer of the Sonoma County Water Agency, acting on behalf of Sonoma Valley County Sanitation District, to administer the contract, including taking specified actions; rejecting the bids of Arnold Construction Company, West Star Environmental, Inc., and Bay Pacific Pipeline, Inc., as non-responsive and accepting the bid of Paradiso Mechanical, Inc., as the lowest, responsible, and responsive bid for the Sonoma Valley County Sanitation District Treatment Plant Aboveground Diesel Fuel Tank and letting the contract for construction to Paradiso Mechanical, Inc. for \$344,865; and approving Document 00610 (Construction Performance Bond) and Document 00620 (Construction Payment Bond).