



# AGENDA ITEM

## Public Utilities Commission

*City and County of San Francisco*



DEPARTMENT Water Enterprise AGENDA NO. \_\_\_\_\_  
 MEETING DATE February 9, 2010

**Construction Award:** Consent Calendar  
**Project Manager:** Thinh Nguyen

**Contract No. WD-2561, Award 8” Ductile Iron Main (DIM) Installation on Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay**

<b>Summary of Proposed Commission Action:</b>	<b>Approve</b> the plans and specifications, and <b>award</b> Water Enterprise Program funded Contract No. WD-2561, 8” Ductile Iron Main (DIM) Installation on Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay, in the amount of \$1,211,615, to the lowest, qualified, responsible and responsive bidder, Shaw Pipeline Inc., to replace cast iron and service pipes.
<b>Background &amp; Description of Scope of Work:</b>	<p><b>Background:</b>          This contract is part of Water Enterprise’s multi-year Local Water Repair &amp; Replacement (R&amp;R) Program. The goals of the program are to systematically maintain the City’s water delivery system by either repair or replacement of aging infrastructure.</p> <p><b>Description of Scope of Work:</b>          The contract work consists of replacing approximately 4,700’ of 6” cast iron pipe, 500’ of 12” cast iron pipe and 615’ of 1” and 2” service pipes on Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay. The pipes were originally installed in 1897 and are in need of replacement.</p>
<b>Result of Inaction:</b>	A delay awarding this contract will prolong the replacement of the pipes and increase the City’s vulnerability to pipeline failure.
<b>Budget &amp; Costs:</b>	<p><b>Baseline Budget:</b> \$1,505,170  <b>Engineer’s Estimate:</b> \$1,505,170  <b>Award:</b> \$1,211,615  <b>Funding:</b> Project No. CUW2600114, 8” DIM Installation on Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay.</p>

**APPROVAL:**

DEPARTMENT / BUREAU \_\_\_\_\_

FINANCE Todd L. Rydstrom

COMMISSION SECRETARY Mike Housh

GENERAL MANAGER Ed Harrington

<b>Schedule:</b>	<b>NTP:</b> March 2010 <b>End:</b> November 2010 <b>Duration:</b> Two hundred forty (240) consecutive calendar days																																																	
<b>Compliance With Chapter 14B: Local Business Enterprise (LBE) And Non-Discrimination In Contracting Ordinance:</b>	<b>Set:</b> 11% (Local Business Enterprise) LBE <b>Submitted:</b> 19.2% LBE																																																	
<b>Environmental Review:</b>	Project No. CUW2600114, 8" Ductile Iron Main (DIM) Installation on Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay, was determined to be categorically exempt as a Class 1 Categorical Exemption under the California Environmental Quality Act (CEQA) by San Francisco Planning Department on October 28, 2009.																																																	
<b>Bid History:</b>	<b>Advertised:</b> December 2, 2009 <b>Bids Received:</b> Sealed bids were received from eight (8) firms on January 7, 2010 as follows:																																																	
	<table border="1"> <thead> <tr> <th>Bid Rank</th> <th>Bid Amount</th> <th>Bid Preference</th> <th>Adjusted Bid</th> <th>Adjusted Rank</th> </tr> </thead> <tbody> <tr> <td>1. Shaw Pipeline, Inc.</td> <td>\$1,211,615</td> <td>10%</td> <td>\$1,090,454</td> <td>1</td> </tr> <tr> <td>2. P&amp;J Utility Co.</td> <td>\$1,285,018</td> <td>10%</td> <td>\$1,156,516</td> <td>2</td> </tr> <tr> <td>3. A. Ruiz Construction Co. &amp; Assoc., Inc.</td> <td>\$1,320,615</td> <td>10%</td> <td>\$1,188,554</td> <td>3</td> </tr> <tr> <td>4. Hernandez Engineering</td> <td>\$1,332,701</td> <td>10%</td> <td>\$1,199,431</td> <td>4</td> </tr> <tr> <td>5. J. Flores Construction Company, Inc.</td> <td>\$1,367,626</td> <td>10%</td> <td>\$1,230,863</td> <td>5</td> </tr> <tr> <td>6. Con-Quest, Inc.</td> <td>\$1,393,259</td> <td>10%</td> <td>\$1,253,933</td> <td>6</td> </tr> <tr> <td>7. M. Squared Construction, Inc.</td> <td>\$1,437,000</td> <td>10%</td> <td>\$1,293,300</td> <td>7</td> </tr> <tr> <td>8. Synergy Project Management, Inc.</td> <td>\$1,458,403</td> <td>10%</td> <td>\$1,336,863</td> <td>8</td> </tr> </tbody> </table>					Bid Rank	Bid Amount	Bid Preference	Adjusted Bid	Adjusted Rank	1. Shaw Pipeline, Inc.	\$1,211,615	10%	\$1,090,454	1	2. P&J Utility Co.	\$1,285,018	10%	\$1,156,516	2	3. A. Ruiz Construction Co. & Assoc., Inc.	\$1,320,615	10%	\$1,188,554	3	4. Hernandez Engineering	\$1,332,701	10%	\$1,199,431	4	5. J. Flores Construction Company, Inc.	\$1,367,626	10%	\$1,230,863	5	6. Con-Quest, Inc.	\$1,393,259	10%	\$1,253,933	6	7. M. Squared Construction, Inc.	\$1,437,000	10%	\$1,293,300	7	8. Synergy Project Management, Inc.	\$1,458,403	10%	\$1,336,863	8
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	Application of bid preferences in accordance with Chapter 14B of the San Francisco Administrative Code did not change the final ranking of the low bidder.																																																	
<b>Recommendation:</b>	SFPUC staff recommends that the Commission adopt the attached resolution.																																																	
<b>Attachments:</b>	1. SFPUC Resolution 2. HRC Memo																																																	

# **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. **10-0015**

WHEREAS, Contract No. WD-2561, 8” Ductile Iron Main (DIM) Installation on Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay was advertised on December 2 , 2009; and

WHEREAS, The baseline budget amount is \$1,505,170 and the Engineer’s Estimate is \$1,505,170 for this construction contract work to replace approximately 4,700’ of 6” cast iron pipe, 500’ of 12” cast iron pipe and 615’ of 1” and 2” service pipes; and

WHEREAS, The contract duration is two hundred forty (240) consecutive calendar days; and

WHEREAS, Project No. CUW2600114, 8” Ductile Iron Main (DIM) Installation in Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay, was determined to be categorically exempt as a Class 1 Categorical Exemption under the California Environmental Quality Act (CEQA) by San Francisco Planning Department on October 28, 2009; and

WHEREAS, Eight (8) bids were received and opened publicly on January 7, 2010; and

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff and Human Rights Commission (HRC) review of the bids for qualifications, responsibility, responsiveness and application of bid preferences resulted in the establishment of Shaw Pipeline Inc. as the lowest, qualified, responsible and responsive bidder; and

WHEREAS, A HRC subcontracting goal of 11% Local Business Enterprise (LBE) participation has been established for this contract; and

WHEREAS, The firm being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City’s Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification from HRC may result in award of the contract to the next lowest, responsible and responsive bidder, or re-bidding of the contract at the discretion of the City; and

WHEREAS, Failure to reach successful agreement on contract terms and conditions within 60 days of the date of the Commission award may result in award of the contract to the next lowest, responsible and responsive bidder, or re-bidding of the contract at the discretion of the City; and

WHEREAS, Funds are available from Project No. CUW2600114 , WD-2651, 8” Ductile Iron Main (DIM) Installation in Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay; now, therefore, be it

RESOLVED, That this Commission hereby approves the plans and specifications and awards Water Enterprise Program funded Contract No.WD-2561, 8” Ductile Iron Main (DIM) Installation on Laguna St. from Clay to Jackson, Broadway to Union and Greenwich to Bay, in the amount of \$1,211,615, to the lowest, qualified, responsible and responsive bidder, Shaw Pipeline Inc.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of* \_\_\_\_\_ *February 9, 2010*



\_\_\_\_\_  
*Secretary, Public Utilities Commission*



Gavin Newsom  
Mayor

Contract Compliance  
Dispute Resolution/Fair Housing  
Small and Micro Business Enterprise  
Lesbian Gay Bisexual Transgender & HIV Discrimination

Theresa Sparks  
Executive Director

**MEMORANDUM**

Date: January 20, 2010

To: Thinkh Nguyen, Project Manager, SFPUC  
Nathan Au, Project Manager, SFPUC  
Pauline Lam, Senior Administrative Analyst, SFPUC

From: Alaric Degrafinried, Contract Compliance Officer, HRC

Subject: HRC Award Memo (WD-2561)  
8" DIM Installation on Laguna Street from California to Jackson; Broadway to Union; and Greenwich to Bay

The Human Rights Commission ("HRC") has received the bids for the above referenced project and has conducted an evaluation for compliance with HRC requirements. A Local Business Enterprise (LBE) subcontracting participation goal of 11% was established for this project.

**Bid Calculations**

Eight (8) firms submitted bids for the above referenced project. Pursuant to Chapter 14B.7(E) of the San Francisco Administrative Code, when applicable, contract awarding authorities shall apply a 10% bid discount to any bid received from an HRC-certified Local Business Enterprise. The above referenced project is subject to the provisions of 14B.7(E); therefore, the adjusted bid results are as follows:

Bidder	LBE Status	Base Bid	Bid Discount	Adjusted Bid
Shaw Pipeline, Inc.	SF LBE-OBE	\$1,211,615	10%	\$1,090,454
P&J Utility Co.	SF LBE-OBE	\$1,285,018	10%	\$1,156,516
A. Ruiz Construction Co. & Assoc., Inc.	SF LBE-MBE	\$1,320,615	10%	\$1,188,554
Hernandez Engineering	SF LBE-MBE	\$1,332,701	10%	\$1,199,431
J. Flores Construction Company, Inc.	SF LBE-MBE	\$1,367,626	10%	\$1,230,863
Con-Quest, Inc.	SF LBE-OBE	\$1,393,259	10%	\$1,253,933
M. Squared Construction, Inc.	SF LBE-OBE	\$1,437,000	10%	\$1,293,300
Synergy Project Management, Inc.	SF LBE-MBE	\$1,458,403	10%	\$1,336,863

**Shaw Pipeline's Bid**

The bid received from Shaw Pipeline, Inc. (\$1,211,615) includes LBE participation totaling 19.2% from two firms with various scopes of work including:



25 Van Ness Avenue  
Suite 800  
San Francisco  
California 94102-6033



TEL (415) 252-2500  
FAX (415) 431-5764  
TDD (415) 252-2550  
[www.sfgov.org/site/sfhumanrights](http://www.sfgov.org/site/sfhumanrights)



Subcontractor	Service	LBE Status	LBE \$	LBE %
Vargas & Esquivel Construction, Inc.	Paving	SF LBE-MBE	\$221,877	18.3%
Go Public Notice	Notices, Misc.	SF LBE-MBE	11,150	0.9%
Total			\$233,027	0.9%

Based on the information noted above, HRC has determined that Shaw Pipeline, Inc. is the lowest responsive bidder, has complied with the pre-award HRC 14B requirements and is eligible for award of this contract.

Should you have any questions and/or concerns please feel free to contact me at 415-554-3103.