



AGENDA ITEM
Public Utilities Commission
City and County of San Francisco



DEPARTMENT Water Enterprise AGENDA NO. _____
 MEETING DATE February 23, 2010

Construction Award: Consent Calendar
Project Manager: Thinkh Nguyen

Contract No. WD-2493, Award, 8" Ductile Iron Main (DIM) Installation on Vallejo Street, from Octavia Street to Broderick Street

Summary of Proposed Commission Action:	Approve the plans and specifications, and award Water Enterprise, Program funded Contract No. WD-2493, 8" Ductile Iron Main (DIM) Installation on Vallejo Street, from Octavia Street to Broderick Street, in the amount of \$1,035,122 to the lowest, qualified, responsible and responsive bidder, M Squared Construction, Inc. Contract work consists of to replacing distribution and service pipes.
Background & Description of Scope of Work:	Background: This main replacement contract is part of the Water Enterprise's multi-year Local Water Repair and Replacement Program. Description of Scope of Work: The contract work location is on Vallejo Street, from Octavia Street to Broderick Street. The contract work consists of replacing approximately 4,450' of distribution pipe and 1,750' of 1" and 2" service pipes.
Result of Inaction:	A delay awarding this contract will holdup the replacement of the pipes that were installed from 1881 to 1889.
Budget & Costs:	Baseline Budget: \$1,187,546 Engineer's Estimate: \$1,187,546 Award: \$1,035,122 Funding: Project No. CUW2600147, 8" Ductile Iron Main (DIM) Installation on Vallejo Street, from Octavia to Broderick Streets.
Schedule:	NTP: April 2010

APPROVAL:

DEPARTMENT / BUREAU _____

FINANCE Todd L. Rydstrom

COMMISSION SECRETARY Mike Housh

GENERAL MANAGER Ed Harrington

	<p>End: December 2010 Duration: Two hundred forty (240) consecutive calendar days</p>																																								
<p>Compliance With Chapter 14B: Local Business Enterprise And Non-Discrimination In Contracting Ordinance:</p>	<p>Set: 11% Local Business Enterprise (LBE) Submitted: 16.15% LBE</p>																																								
<p>Environmental Review:</p>	<p>Project No. CUW2600147, 8" Ductile Iron Main (DIM) Installation in Vallejo St., from Octavia St. to Broderick St. 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 September 22, 2009.</p>																																								
<p>Bid History:</p>	<p>Advertised: December 18, 2009 Bids Received: Sealed bids were received from seven (7) firms on January 21, 2010 as follows:</p> <table border="1" data-bbox="407 793 1226 1222"> <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. Rodan Builders</td> <td>\$876,000</td> <td>N/A</td> <td>\$876,000</td> <td>1*</td> </tr> <tr> <td>2. M Squared Construction</td> <td>\$1,035,122</td> <td>10%</td> <td>\$931,609.80</td> <td>2</td> </tr> <tr> <td>3. J Flores Construction</td> <td>\$1,044,065</td> <td>10%</td> <td>\$939,658.50</td> <td>3</td> </tr> <tr> <td>4. P&J Utility</td> <td>\$1,047,400</td> <td>10%</td> <td>\$942,660</td> <td>4</td> </tr> <tr> <td>5. Shaw Pipeline</td> <td>\$1,085,855</td> <td>10%</td> <td>\$977,269.50</td> <td>5</td> </tr> <tr> <td>6. M. Hernandez Engineering</td> <td>\$1,105,435</td> <td>10%</td> <td>\$994,891.50</td> <td>6</td> </tr> <tr> <td>7. A. Ruiz Construction</td> <td>\$1,240,050</td> <td>10%</td> <td>\$1,116,045</td> <td>7</td> </tr> </tbody> </table> <p>* Rodan Builders acknowledged that the firm did not meet the contract minimum qualification (install 2,000' minimum of water pipes in the last 10 years) and the SFPUC Contract Administration Bureau has determined that Rodan Builders is non responsible and its bid was rejected. 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.</p>	Bid Rank	Bid Amount	Bid Preference	Adjusted Bid	Adjusted Rank	1. Rodan Builders	\$876,000	N/A	\$876,000	1*	2. M Squared Construction	\$1,035,122	10%	\$931,609.80	2	3. J Flores Construction	\$1,044,065	10%	\$939,658.50	3	4. P&J Utility	\$1,047,400	10%	\$942,660	4	5. Shaw Pipeline	\$1,085,855	10%	\$977,269.50	5	6. M. Hernandez Engineering	\$1,105,435	10%	\$994,891.50	6	7. A. Ruiz Construction	\$1,240,050	10%	\$1,116,045	7
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Comment [S1]: Lora, please confirm this. Thanks, Shamica

Contract: WD-2493, 8" Ductile Iron Main Installation on Vallejo Street, from Octavia Street to Broderick Street
Commission Meeting Date: February 23, 2010

Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.
Attachments:	<ol style="list-style-type: none">1. SFPUC Resolution2. HRC Memo3. Contract Administration Bureau's letter rejecting Rodan Builders' bid

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 10-0031

WHEREAS, Contract No. WD-2493, 8" Ductile Iron Main Installation on Vallejo St., from Octavia Street to Broderick Street was advertised on December 18, 2009; and

WHEREAS, The baseline budget amount is \$1,187,546 and the Engineer's Estimate is \$1,187,546 for this construction contract work to replace approximately 4,450' of distribution pipes and 1,750' of 1" and 2" service pipes; and

WHEREAS, The contract duration is 240 consecutive calendar days; and

WHEREAS, Project No. CUW2600147, 8" Ductile Iron Main Installation in Vallejo St., from Octavia St. to Broderick St., 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 September 22, 2009; and

WHEREAS, Seven (7) bids were received and opened publicly on January 21, 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 M Squared Construction 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

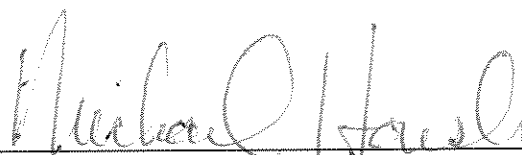
WHEREAS, The firm being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification 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. CUW2600147, WD-2493, 8" Ductile Iron Main Installation in Vallejo St., from Octavia Street to Broderick Street; now, therefore, be it

RESOLVED, That this Commission hereby approves the plans and specifications and awards Water Enterprise Program funded Contract No. WD-2493, 8" Ductile Iron Main Installation in Vallejo Street, from Octavia Street to Broderick Street, in the amount of \$1,035,122 to the lowest, qualified, responsible and responsive bidder, M Squared Construction.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ *February 23, 2010*

A handwritten signature in cursive script, appearing to read "Michael J. Hensch", written over a horizontal line.

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

TO: Tinh Nguyen, Project Manager, SFPUC

FROM: Andrew Houston, Contract Compliance Officer, Human Rights Commission

DATE: February 4, 2010

RE: Award Eligibility for Contract No. WD-2493, 8” DIM Install in Vallejo Street
 from Octavia to Broderick Street

The Human Rights Commission (“HRC”) has received the bids on the above referenced project and has conducted an evaluation for compliance with HRC requirements. An LBE subcontracting participation goal of 11% was established for this contract.

Seven firms submitted bids as follows:

Bidder	LBE Status	Base Bid	Bid Discount
Rodan Builders	N/A	\$876,000	N/A
M Squared Construction	OBE	\$1,035,122	\$931,609.80
J Flores Construction	MBE	\$1,044,065	\$939,658.50
P&J Utility	OBE	\$1,047,400	\$942,660
Shaw Pipeline	OBE	\$1,085,855	\$977,269.50
M. Hernandez Engineering	MBE	\$1,105,435	\$994,891.50
A. Ruiz Construction	MBE	\$1,240,050	\$1,116,045

Rodan Builders (Non-Responsive)

On February 3, 2010 the SFPUC deemed the apparent low bidder Rodan Builders non-responsive for not identifying the requisite “experience to meet the contract requirement of two completed projects installing at least 2,000 Lf 8” ductile iron main for water (required in Document 00450 Bidder Qualifications).” (Please see attached letter from SFPUC)



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Suite 800
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California 94102-6033



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



LBE Subcontractor Participation Goals

The lowest bidder, M Squared Construction (“M Squared”), listed 16.15% participation by HRC-certified LBE subcontractors, as detailed below:

Subcontractor	LBE Status	LBE Listed Amount	Participation
Esquivel Grading & Paving	MBE	\$ 167,150	16.15%
TOTAL		\$ 167,150	16.15%

Based on the above analysis, HRC has determined that is the lowest responsive bidder, M Squared, has complied with pre-award HRC 14B requirements and is eligible for award of this contract. If you have any questions, please do not hesitate to contact me at 415-551-4335 or ahouston@sflower.org.



SAN FRANCISCO PUBLIC UTILITIES COMMISSION

Contact Administration Bureau
Ivy V. Fine, Manager
1155 Market Street, 5th Floor, San Francisco, CA 94103 • Tel: (415) 551-4802 • Fax: (415) 554-8225



February 3, 2010

Mr. Dan Oliver
Rodan Builders Inc.
859 Cowan Road
Burlingame, CA 94010

Via Email & US Mail

Re: SFPUC Contract No. WD-2493 WD-2493 8" DIM INSTALLATION IN VALLEJO ST. FROM OCTAVIA STREET TO BRODERICK STREET

Dear Mr. Oliver,

The San Francisco Public Utilities Commission (SFPUC) held a bid opening for its contract no. WD-2493 on January 21, 2010. Your firm provided the lowest apparent bid and as such, the SFPUC reviewed all bid forms and qualifications you submitted. In your statement of qualifications, your firm did not identify experience to meet the contract requirement of two completed projects installing at least 2,000 lf of 8" ductile iron main for water (required in Document D0450 Bidder Qualifications). The SFPUC contacted your office on January 29, 2010 to inquire as to whether or not your firm meets this qualification. You sent an email to the SFPUC on February 1, 2010, citing that your firm does not have the required experience.

In order for the SFPUC to award a construction contract, a prime contractor must meet all of the requirements of the contract, including bidder qualifications. Unfortunately, the SFPUC must deem your bid not responsible to the qualification criteria required for this contract; and thus, your bid is rejected.

The SFPUC appreciates your interest in our projects and hopes that you will pursue future City construction opportunities.

Respectfully,

Lora Bowman
Construction Contracts Manager
SFPUC Contract Administration Bureau

Cc: PLam IFae File WD-2493 INguyen AUCuston
