August 6, 2018

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted by: Darron Poulsen, Water Resources Director

Subject: Award of Bid to Budilo Construction Inc. to Provide Cla-Val Automatic

Control Valve Repair, Replacement and Maintenance Services at the

Prices Bid for Time and Materials

OVERVIEW

Recommendations - That the City Council award Bid No. 2018-07 to Budilo Construction Inc. for a three-year term, with two, one-year extension options, to provide Cla-Val Automatic Control Valve Repair, Replacement and Maintenance Services, at the prices bid for time and materials; and authorize annual CPI increases upon the staff's review and approve.

Fiscal Impact- Funds for this procurement are available in the adopted FY 2018-19 Water Operating Budget (571-8124-53700-00000 and 571-8123-52285-00000). The estimated annual cost is \$40,000. Funding for future years will be included in each respective annual budget submissions.

Previous Council Action – No previous Council action

EXECUTIVE SUMMARY

The City maintains and operates over 130 automatic control valves throughout the water system. Automatic control valves are a critical component of the water system usedd to manage water flow throughout the City's potable and recycled water distribution systems. These systems are made up of potable and recycled water wells, booster pumps control, and reservoir tanks. The proposed action will award a three-year contract, with an additional two (2) year option to renew on a year-to-year basis, for Cla-Val automatic control valve repair, replacement and maintenance services.

DISCUSSION

The City maintains and operates over 130 automatic control valves throughout the City ranging in size from 4-inch to 24-inch in diameter. The City repairs/replaces approximately 30 automatic control valves per year. Actual repairs will depend on the needs of the City which may vary

Award of Contract to Budilo Construction Inc. for Cla-Val Automatic Control Valve Repair, Replacement and Maintenance Services
August 6, 2018
Page 2 of 2

significantly (e.g., actuators, altitude valves, pilots, etc.). Regulators and transfer valves must be of Cla-Val OEM (original equipment manufacturer) parts. The contractor will be responsible for the maintenance, repair and replacement (if needed) of the City's automatic control valves.

In accordance with Section 2-970 of the City's Purchasing Ordinance, the Purchasing Division released a Notice Inviting Bids (Bid No. 2018-07) that was posted on the PlanetBids and the Public Notices board on April 16, 2018. Two (2) bids were received by the May 10, 2018 deadline. Staff conducted a review and verification of each bidder's response and qualifications.

Cla-Val Inc. is the manufacturer of the automatic control valves, which is the City's standard equipment for the water system. Cla-Val Inc. submitted the apparent lowest bid; however, does not meet the California State License Board (CSLB) contractor's license requirements. Therefore, Cla-Val Inc. is non-responsive. Budilo Construction Inc., the next lowest bidder, does meet the CSLB requirements; therefore, staff is recommending Budilo for award. Budilo Construction Inc. did have an exception noted on their bid that was reviewed and deemed acceptable by City staff. Please see Attachment for summary of bids.

Attachment: Bid Summary for Cla-Val Automatic Control Valve Repair, Replacement and Maintenance Services

Prepared by: Damian Martinez, Senior Management Analyst