

AGENDA ITEM NO.

COUNCIL MEETING

APPROVED BY

DEPARTMENT DIRECTOR

CITY MANAGER

February 12, 2008

FROM: RENE A. RAMIREZ, Director 
Department of Public Utilities - Administration

BY: GARTH GADDY, Provisional Manager 
Department of Public Utilities - Water Division

SUBJECT: AWARD REQUIREMENTS CONTRACT TO BSK ANALYTICAL LABORATORIES IN THE ESTIMATED AMOUNT OF \$130,540.00 FOR REQUIREMENTS CONTRACT FOR UNREGULATED CONTAMINANT MONITORING RULE 2 (UCMR II) TESTING (BID FILE 8960)

KEY RESULT AREA

Resource Management

RECOMMENDATION

Staff recommends that the City Council award a four-year requirements contract to BSK Analytical Laboratories, of Fresno, in the estimated amount of \$130,540.00 for UCMR II Testing.

EXECUTIVE SUMMARY

The Department of Public Utilities, Water Division, is seeking to establish a requirements contract for UCMR II Testing. Staff recommends award of a requirements contract to BSK Analytical Laboratories in the estimated amount of \$130,540.00.

KEY OBJECTIVE BALANCE

This contract, which provides for UCMR II Testing, supports the three focus areas of Customer Satisfaction, Employee Satisfaction and Financial Management. UCMR II Testing helps support the Water Division's commitment to providing safe potable water to customers and employees. A requirements contract for UCMR II Testing guarantees pricing for three years.

BACKGROUND

This contract is required in order to comply with the United States Environmental Protection Agency's (EPA) UCMR II mandated program. The City is required to test all wells over a three-year period for potential pollutants identified by the EPA.

Specifications for a contract for UCMR II Testing were prepared based upon estimated annual usage. The four-year term of the contract encompasses three years of testing with a fourth year for possible make-up testing. A Notice Inviting Bids was published in the Business Journal on January 4, 2008, and on the City's website. The specifications were distributed to fifteen prospective bidders. Six sealed bid proposals were

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received and opened in a public bid opening January 24, 2008. Bid proposal prices ranged from \$130,540.00 to \$170,058.00.

BSK Analytical Laboratories of Fresno, California, submitted the lowest bid price in the amount of \$130,540.00 and is considered the lowest, responsive and responsible bidder. The Staff Determination of Award was posted on the City's website on February 4, 2008.

The proposed contract pricing is seven percent below Staff estimate.

Funding for this project is included in the FY08 Budget.

FISCAL IMPACT

See attached Fiscal Impact Statement

Attachments:

- Fiscal Impact Statement
- Evaluation of Bid Proposals

FISCAL IMPACT STATEMENT

PROGRAM: 40101 – 411001 - WM00002 - SMPL

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>65,270.00</u>	<u>130,540.00</u>
Indirect Cost	<u>0</u>	<u>0</u>
TOTAL COST	<u>65,270.00</u>	<u>130,540.00</u>
Additional Revenue or Savings Generated	<u>0</u>	<u>0</u>
Net City Cost	<u>65,270.00</u>	<u>130,540.00</u>
Amount Budgeted (If none budgeted, identify source)	<u>140,000.00</u>	<u>140,000.00</u>

EVALUATION OF BID PROPOSALS

FOR: REQUIREMENTS CONTRACT FOR UCMR II TESTING

Bid File No. 8960
Bid Opening: January 24, 2008

	BIDDER'S NAME	TOTAL NET BID AMOUNT
1.	BSK Analytical Laboratories 1414 Stanislaus Street Fresno CA 93706	\$130,540.00
2.	MWH Labs, a division of MWH Americas, Inc. 750 Royal Oaks Drive, Suite 100 Monrovia CA 91016	\$157,898.00
3.	E.S. Babcock & Sons, Inc. 6100 Quail Valley Ct Riverside CA 92507	\$165,664.00
4.	Weck Laboratories, Inc. 14859 E Clark Avenue City of Industry CA 91745	\$170,058.00

Each bidder has agreed to allow the City ninety (90) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, February 20, 2008, 5:00 P.M.

The current contract pricing is n/a % above the previous contract pricing. If the overage is greater than 10% or only one bid was received, give explanation:

The bid pricing on this contract is 7% below staff's estimate. This contract is unique and cannot be compared to previous bids.

BACKGROUND OF PROJECT: (To be completed by Evaluating Department/Division. Explain need for project/equipment.)

Contract is required in order to comply with USEPA's UCMR II program, an unfunded mandated program. The City is required to test all wells for constituents identified in List 1 and List 2 of the program which will run for three years.

EVALUATION OF BID PROPOSALS

FOR: REQUIREMENTS CONTRACT FOR UCMR II TESTING

Bid File No. 8960
Bid Opening: January 24, 2008

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$ 130,540.00
to BSK Analytical Laboratories
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval

Am Con M. M. M. M. M.

Title ASSISTANT DIRECTOR

Date 25Jan2008

- Approve Dept. Recommendation Approve GSD/Purchasing Recommendation
- Disapprove Disapprove
- See Attachment

GENERAL SERVICES DEPARTMENT

CITY MANAGER

Janet Smith 1/28/08
Purchasing Manager Date

Bob [Signature] 2/4/08
City Manager or Designee Date

K. Herbold 1/28/08
Director Date