

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

MEMORANDUM

DATE: AUGUST 23, 2016

TO: BOARD OF DIRECTORS
Lake Arrowhead Community Services District

FROM: 
AIDA HERCULES-DODARO, District Engineer


Catherine Cerri, Interim General Manager

SUBJECT: CONSIDER REJECTING THE FIRST BID AND AWARDING A CONSTRUCTION CONTRACT FOR THE INFLOW AND INFILTRATION MANHOLE REHABILITATION 2016, PROJECT NO. 151 TO SANCON TECHNOLOGIES, INC

A. RECOMMENDATION

It is recommended that the Board of Directors:

1. Reject the first low bid from Zebron Contracting, Inc. (Zebron) for the Inflow and Infiltration (I&I) Manhole Rehabilitation 2016, Project No. 151, which was found to be non-responsive, and,
2. Award a contract for the construction of the I&I Manhole Rehabilitation 2016, Project No. 151 to Sancon Technologies, Inc. (Sancon) for their low responsive and responsible bid of \$69,510, and
3. Authorize the Interim General Manager to execute the contract; and,
4. Authorize the Interim General Manager to approve change orders for the Project as required in the field during the contract time for an amount not to exceed 15% of the original contract amount; or,
5. Reject all bids and re-advertise the project pursuant to Public Contract Code section 20166.

B. REASON FOR RECOMMENDATION

On June 20, 2016, District staff advertised for bids for contractors to rehabilitate 22 manholes, including shelf channel repair and miscellaneous work related to stopping

I&I. The work related to this project is located in various sites throughout the District's service area. On July 19, 2016, the District received the following bids:

	Contractor	Total
1	Zebtron.	\$ 52,130
2	Sancon	\$ 69,510
3	Ayala Engineering	\$ 78,225

The Engineer's cost estimate is \$84,000.

The District is required to award the I&I Manhole Rehabilitation 2016, project "to the lowest responsible bidder after notice." (California Public Contract Code Section 20162) Additionally, a basic rule of competitive bidding is that bids must conform to specifications and that if a bid does not conform, it may not be accepted. (*City of Inglewood – LA County Civil Center Authority v. Superior Court* (1972) 7 Cal.3d 861, 870-871). Here, it would not be an abuse of discretion for LACSD to find Zebtron's bid non-responsive and reject it.

LACSD's bid package clearly requires the contractor to possess a license with an A Classification. Specifically, the contractor's license requirements say "The Contractor shall possess a valid Contractor's License issued by the State of California with a A Classification." Zebtron's bid shows the contractor holding a Contractor's License with a C-33 Classification, which according to the Contractors State License Board definition a C-33 is issued for Painting and Decorating.

C. BACKGROUND INFORMATION

The Project is part of the District's on-going efforts to improve its aging wastewater collection system infrastructure, manage I&I and to be in compliance with our current Cease and Desist Order No. R6V-2013-0022 through the State Water Quality Control Board.

The Project consists of rehabilitating 22 manholes including shelf, barrel walls, channel repair and water stopping grout injection to reduce infiltration as much as possible.

D. FISCAL INFORMATION

Funding for this project will be from the Wastewater Capital Improvement Fund (210) and will qualify towards reducing I&I.