



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

Consent  
April 17, 2007

Honorable Mayor and  
Members of the City Council

**Title:** Contract: Water Meter Retrofit – 2007 Phase 1 (PN: ZS08)

**Location/Council District:** The area from 7<sup>th</sup> St. East to 21<sup>st</sup> St. and from B St. South to F St. (Location map-Attachment 1) – Council Districts 1 and 3.

**Recommendation:** Adopt a **Resolution** 1) approving the contract plans and specifications for the Water Meter Retrofit – 2007 Phase 1 (PN ZS08) and awarding the contract to Florez Paving for an amount not to exceed \$596,550; and 2) transferring \$230,000 to the Water Meter Retrofit-2007 Phase 1 Project (PN:ZS08) from the RWM-Setting meters Only Project (PN:ZS07, fund 413)

**Contact:** Syed Rizvi, Field Services Manager, 808-6217; Michael Malone, Water Distribution Superintendent, 808-6226

**Presenters:** Not Applicable

**Department:** Utilities

**Division:** Field Services

**Organization No:** 3341

### Description/Analysis

**Issue:** The project is necessary to meet the requirements of Assembly Bill 2572 by installing water meters on existing water services within the City of Sacramento. This law set a deadline of 100% metering of all residential and commercial accounts by 2025.

**Policy Considerations:** This action is in conformance with City Code Chapter 3.60 Articles I and III, which provide that the City Council may award competitively bid contracts to the lowest responsible bidder.

This report's recommendation is consistent with the City's Strategic Plan Goals of enhancing and preserving the neighborhoods and supporting the economic vitality of the area.

**Environmental Considerations:** The Development Services Department, Environmental Planning Services Division, has reviewed the proposed project and has determined that this project is categorically exempt from CEQA (the

California Environmental Quality Act) under Class 1, Section number 15301(b) and (c) and Class 3, Section number 15303(d) of the CEQA Guidelines. Projects exempt under Class 1, Section number 15301(b) and (c) consist of minor alteration or repair of existing utility facilities and sidewalks. Projects exempt under Class 3, Section number 15303(d) consist of installation and location of new, small utility facilities. A notice of categorical exemption will be filed with the County Clerk after City Council award of the project.

**Commission/Committee Action:** None

**Rationale for Recommendation:** After the plans and specifications were completed by Field Services, the project was formally advertised to solicit public bids. On March 14, 2007, the City Clerk opened six bids. Upon receipt of bids, City staff reviewed the bid of the apparent low bidder, Newland Entities, and determined that the bid did not meet the minimum ESBE participation level of 20% (Newland Entities achieved only 4.1 % participation) and therefore is considered non-responsive. The second lowest bidder, Florez Paving, meets the minimum ESBE participation level of 20% and therefore staff recommends the contract be awarded to Florez Paving, as the lowest responsible bidder, for an amount not to exceed \$596,550.00. The engineer's estimate was \$720,000.

**Financial Considerations:** The total estimated project cost including design, construction, City supplied materials, inspection and contingency is \$970,000. As of March 19, 2007, the Water Meter Retrofit – 2007 Phase 1 Project (PN: ZS08) has a budget of \$742,000. Staff recommends an amount of \$230,000 be transferred to the Water Meter Retrofit – 2007 Phase 1 Project (PN: ZS08, fund 413) from the RWM-Setting Meters Only (PN: ZS07, fund 413). This transfer will provide sufficient funding to award the contract and complete the project.

**Emerging Small Business Development (ESBD):** This project included a participation goal of 20% for emerging and small business enterprises (ESBEs) as required by Ordinance 99-007 and Resolution 99-055, relating to ESBD participation goals and policies, adopted by the City Council on February 9, 1999. The lowest responsible bidder, Florez Paving exceeded the (ESBE) goals with a participation level of 100%.

Respectfully Submitted by: \_\_\_\_\_



Syed Rizvi

Field Services Manager

Approved by: \_\_\_\_\_



Gary A. Reents

Director of Utilities

Recommendation Approved:



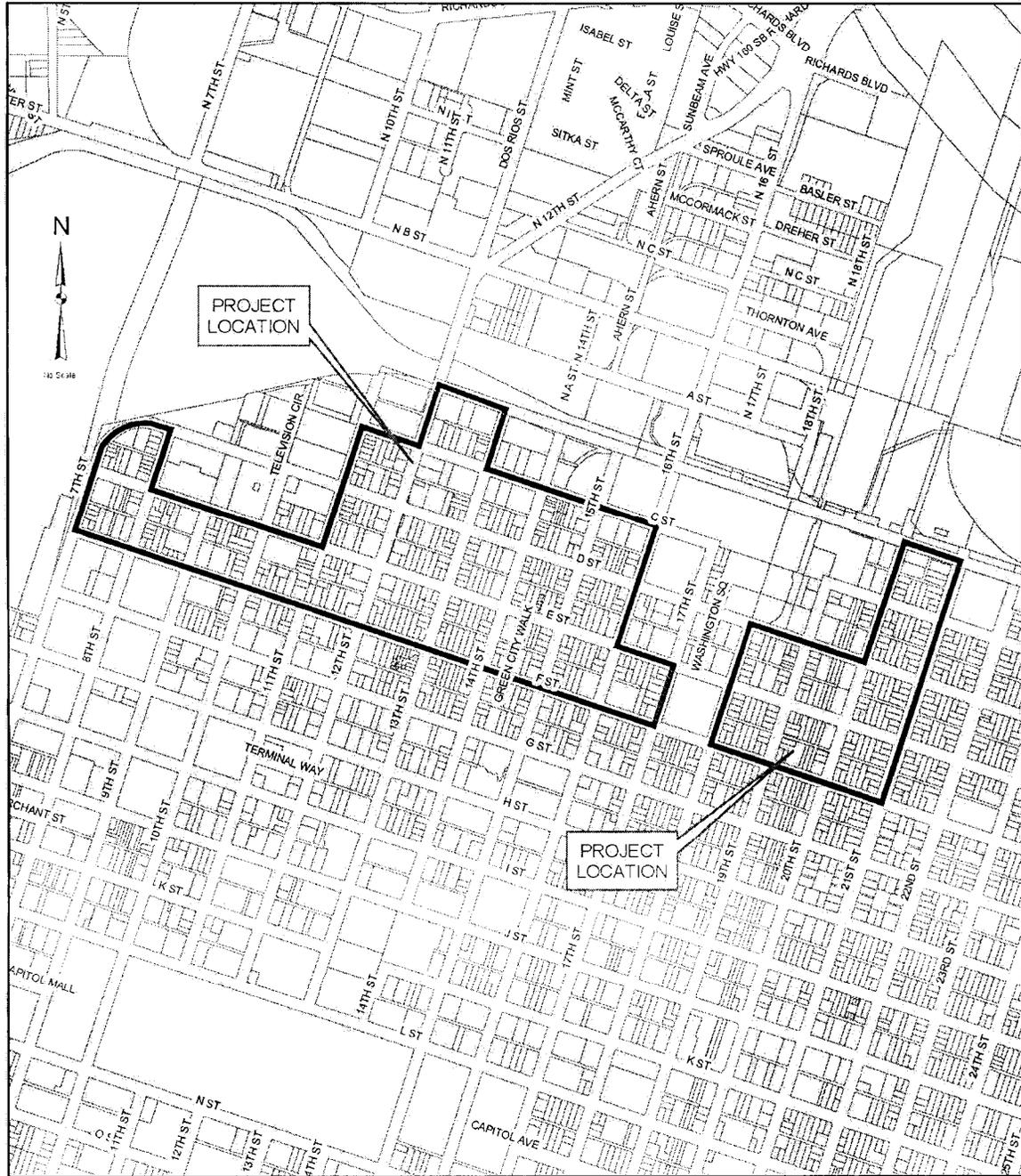
*for* \_\_\_\_\_  
Ray Kerridge  
City Manager

**Table of Contents:**

	Report	pg. 1-3
<b>Attachments</b>		
1	Project Location Map	pg. 4
2	Background	pg. 5
3	Resolution	pg. 6

### ATTACHMENT 1

Water Meter Retrofit  
Phase 1  
(PN: ZS08)



**Attachment 2****BACKGROUND**

On September 24, 2004, Governor Arnold Schwarzenegger signed Assembly Bill 2572 into law. The law set a deadline of 100% metering of all residential and commercial accounts by 2025.

On May 24, 2005, the City Council adopted Resolution 2005-347, directing that water meters be installed according to a plan developed using the following implementation criteria: spreading meter installation projects throughout the City, coordinating water meter installation with the replacement of old water mains, and continuing to add new meter installation projects that are adjacent to completed projects.

This project is part of the 5 year plan developed by the Department of Utilities based on the implementation guidelines approved by Council. This project will install 355 meters on all un-metered services within the project area. Any commercial services installed as part of this project will be paid for out of the Commercial Meter Retrofit Project (ZB46).

At the retrofit program's inception, in 2004, there were approximately 104,930 meters to install within the City. To date, the Department of Utilities has installed 2,553 meters through Capital Improvement Projects. With the completion of this project a total of 2,908 meters will have been installed under the retrofit program. Approximately 102,022 meters will remain for future Capital Improvement Projects. All retrofit projects are coordinated with public outreach to customers and stake holders.

This project was advertised and six (6) bids were received and opened on March 14, 2007. The bids are summarized below:

Contractor	Bid Amount
Newland Entities	\$483,442
Florez Paving	\$596,550
Navajo Pipelines	\$612,830
Vulcan Construction & Maint.	\$649,930
Arrow Construction	\$655,420
Spiess Construction Co. Inc.	\$690,300

City staff reviewed the bid of the apparent low bidder, Newland Entities, and determined that the bid fell well short of meeting the minimum ESBE participation level of 20% and therefore is considered non-responsive. The second lowest bidder, Florez Paving, meets the minimum ESBE participation level of 20% and therefore staff recommends the contract be awarded to Florez Paving, for a amount not to exceed \$ 596,550.

The engineer's estimate was \$720,000.

**Attachment 3**

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**CONTRACT  
FOR THE WATER METER RETROFIT- 2007 PHASE 1 (PN: ZS08)**

**BACKGROUND**

- A. State law requires the City of Sacramento to install water meters on all residential and commercial water services.
- B. City staff prepared plans and specifications to install water meters on all residential and commercial water services within the project area located between 7<sup>th</sup> St. and 21<sup>st</sup> St., and between B St. and F St.
- C. The City requested bids for this work as the Water Meter Retrofit – 2007 Phase 1 Project (PN: ZS08).
- D. Florez Paving was the lowest responsible bidder for this Project.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The contract plans and specifications for the Water Meter Retrofit – 2007 Phase 1 (PN: ZS08) are approved, and the contract is awarded to Florez Paving for an amount not to exceed \$ 596,550.
- Section 2. Transfer \$230,000 to the Water Meter Retrofit – 2007 Phase 1 Project (PN: ZS08, fund 413) from the RWM-Setting Meters Only FY07 3351 (PN: ZS07, fund 413).