



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Contract Award and Rejection of Non-Responsive Bid for Standby Generators for Water Well and Storm Drain Pumping Stations for Sites 7, 9 and 16 (\$328,328)

MEETING DATE: May 17, 1995

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution rejecting the non-responsive bid from Royal Electric Company and awarding the contract for the above project to CTS Northwest, Inc. in the amount of \$328,328 and appropriate \$190,000 from the Storm Drain Fund and reduce the Water Fund appropriation by \$190,000.

BACKGROUND INFORMATION: The City's Water Master Plan recommends that reliable backup power be available at a minimum of one-third of the well sites. We currently have twenty-four wells and six standby generators. The existing generators are mostly 1940's and '50's government surplus units that were last overhauled in the 1960's. They are obsolete, and repair and replacement parts are no longer readily available. The controls are unreliable and cannot be considered "automatic" as they should be. Only four out of the six generators are operational and they all do not automatically start and operate properly. The four locations are Wells 5, 8, 9 and 16. Well 9 is currently out of service. Another unit at Well 7 has not functioned for many years and has been cannibalized for parts. The sixth unit is at Well 13 and has electrical problems. If we are to maintain reliable standby power capabilities, these units need to be replaced. On February 1, 1995, the City Council authorized staff to receive bids for the replacement of the generators at Wells 7, 9 and 16. These locations also have major storm water pumping stations which are also served by the generators.

The City received the following five bids for this project:

	Total Bid
Engineer's Estimate	\$391,900
Royal Electric Co.	\$276,588*
CTS Northwest, Inc.	\$328,328
Pete Fuller Construction	\$331,000
Syblon-Reid Co.	\$367,000
L and L Electric Construction, Inc.	\$389,017

*non-responsive bid--equipment not as specified

APPROVED: _____

THOMAS A. PETERSON
City Manager



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Contract Award and Rejection of Non-Responsive Bid for Standby Generators for Water Well and Storm Drain Pumping Stations for Sites 7, 9 and 16 (\$328,328)

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The apparent low bidder indicated verbally to staff that their bid was for providing equipment that was not listed as one of the three acceptable alternates in the specifications. They also did not take written exception to this fact on their bid. Their bid is considered "non-responsive" and should not be considered. Therefore, staff recommends City Council award to the lowest responsible bidder, CTS Northwest, Inc. They have confirmed, in writing, that their bid was for equipment shown as acceptable in the specifications (**Exhibit A**).

Project Scope and Funding

As noted in the February 1, 1995 Council Communication, the Water Master Plan calls for eight wells with standby power. We recommended that the City:

- plan to purchase three additional units in two years and another three units in four years and take the obsolete units at Wells 5 and 8 out of service. This will result in a total of nine new units, which, by that time, will represent one-third of our wells. This will be shown in the long-range Capital Improvement Program; and
- pay for 50 percent of the cost of these three units that will serve the storm pump stations from the Storm Drain Fund. It is recommended that \$190,000 of this project be funded from the Storm Drain Fund.

FUNDING:	Originally Budgeted:	1993/94
	Budgeted Fund:	Water Capital Outlay
	Current Appropriation:	\$384,000 (reduce to \$194,000); add \$190,000 appropriation from Storm Drain Fund
	Total Project Estimate:	\$380,000



Jack L. Ronsko
Public Works Director

Prepared by Mark J. Lindseth, Associate Civil Engineer and
Richard C. Prima, City Engineer

JLR/ML/RCP/lm

Attachments

cc: City Attorney
Purchasing Officer
Water/Wastewater Superintendent
Street Superintendent
City Engineer
Royal Electric Company
CTS Northwest, Inc.
Carl Geib Engineering

CTS Northwest, Inc.
P.O. Box 1201
Tracy, CA 95378-1201

May 03, 1995

Mr. Mark Lindseth
Associate Civil Engineer
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

**RE: Standby Generators For Three Water & Storm Drain
Pumping Stations (Sites 7, 9, and 16)**

Dear Mr. Lindseth:

On April 26, 1995, we submitted a proposal to the City of Lodi to provide the material specified and site work necessary to complete the above captioned project.

I am writing to you to express my observations regarding the apparent low bid of \$276,588.00. After careful review of our bid documents and conversations with suppliers, we feel that this bid was submitted with apparent disregard of the specifications prepared by the City of Lodi. The basis of this observation is that we do not believe that the specified equipment can be purchased and installed for a total price of \$276,588.00.

I direct your attention to paragraph 6-153, "Commonality of Equipment", subparagraph B, which states "ALL engine generator sets, housings, and accessories shall be assembled by one firm. This firm shall be authorized by Caterpillar, Kohler, or Onan to supply and service the Lodi area." Also, paragraph 6-201.04, "Standby Engine Generator Set Supplier", reiterates the requirements of paragraph 6-153. In addition, and prior to bid, I asked for a clarification of this requirement on the job walk.

It was our intention to provide, as specified, either Caterpillar, Kohler or Onan equipment. We believe that the other bidders, with exception of the low bidder, also were in compliance with these requirements. If the specification had allowed any generator manufacturer, inclusive of "mom and pop" type operations, our bid, and possibly that of other bidders would have been substantially lower, and the City of Lodi would receive a product of lower quality.

The City of Lodi should realize that the generator sets are required for **Emergency Stanby Power**, and as such, high quality and reliability are essential.

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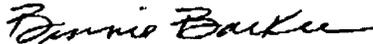
May 03, 1995

City of Lodi
Mr. Lindseth
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In all fairness to the City of Lodi and to the other responsive bidders on this project, the low bidder should be required to use the equipment as specified for the price provided at bid opening or withdraw the bid.

If you have any questions, please feel free to call me at (209) 835-8895.

Sincerely,
CTS Northwest, Inc.



Bennie Barker
President

cf: Mr. Carl Geib, Jr.
Geib Engineering

Mr. Ron Pendleton
Holt Brothers

CITY COUNCIL

STEPHEN J. MANN, Mayor
DAVID P. WARNER
Mayor Pro Tempore
RAY G. DAVENPORT
PHILLIP A. PENNINO
JACK A. SIEGLOCK

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6706
FAX (209) 333-6842

THOMAS A. PETERSON
City Manager
JENNIFER M. PERRIN
City Clerk
BOB McNATT
City Attorney

May 11, 1995

SUBJECT: Contract Award and Rejection of Non-Responsive Bid for Standby Generators for Water Well and Storm Drain Pumping Stations for Sites 7, 9 and 16 (\$328,328)

Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, May 17, 1995, at 7 p.m. The meeting will be held in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to the City Clerk at 305 West Pine Street.

If you wish to address the Council at the Council meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Jennifer Perrin, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Richard Prima, City Engineer, at (209) 333-6706.


Jack L. Ronsko
Public Works Director

JLR/lm

Enclosure

cc: City Clerk *F14*

CITY OF LODI

CITY HALL, 221 W. PINE ST.
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ROYAL ELECTRIC CO
P O BOX 231430
SACRAMENTO CA 95823-1430

CITY OF LODI

CITY HALL, 221 W. PINE ST.
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

CTS NORTHWEST INC
P O BOX 1201
TRACY CA 95378-1201

RESOLUTION NO. 95-64

A RESOLUTION OF THE LODI CITY COUNCIL
REJECTING NON-RESPONSIVE BID AND AWARDING CONTRACT
FOR STANDBY GENERATORS FOR WATER WELL AND STORM
DRAIN PUMPING STATIONS, SITES 7, 9 AND 16

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on April 26, 1995 at 11:00 a.m. for the bid for Standby Generators for Water Well and Storm Drain Pumping Stations, Sites 7, 9 and 16, described in the specifications therefor approved by the City Council in February, 1995; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

<u>Bidder</u>	<u>Bid Amount</u>
Engineer's Estimate	\$ 391,900
Royal Electric Company	\$276,588*
CTS Northwest, Inc.	\$328,328
Pete Fuller Construction	\$331,000
Syblon-Reid Company	\$367,000
L & L Electric Construction, Inc.	\$389,017

* Non-responsive bid - equipment not as specified.

WHEREAS, the apparent low bidder Royal Electric Company verbally indicated to staff that their company bid "Katolight" Generators and did not take written exception to this fact on their bid; and

WHEREAS, the bid specifications clearly specified that only equipment supplied by one of three listed manufacturers (not including Katolight) was acceptable; and

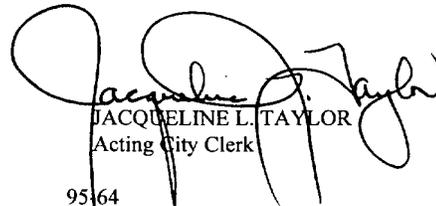
WHEREAS, the lowest responsible bidder, CTS Northwest, Inc., has stated in writing that their bid meets the specifications.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the non-responsive bid from the apparent low bidder, Royal Electric Company be rejected and the award of the contract for Standby Generators for Water Well and Storm Drain Pumping Stations, Sites 7, 9 and 16, be and the same is hereby awarded to CTS Northwest, Inc., the low bidder, in the amount of \$328,328.

Dated: May 17, 1995

I hereby certify that Resolution No. 95-64 was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 17, 1995 by the following vote:

AYES: Council Members - Davenport, Pennino, Warner and Mann (Mayor)
NOES: Council Members - None
ABSENT: Council Members - Sieglock
ABSTAIN: Council Members - None


JACQUELINE L. TAYLOR
Acting City Clerk