

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Sodium Hypochlorite Facility
DATE: May 20, 2008

NEEDS: For the City Council to consider awarding a construction contract to install a Sodium Hypochlorite Facility at the Wastewater Treatment Plant (WWTP).

- FACTS:**
1. The existing chlorine gas disinfection system at the WWTP was installed in 1989. Some of the components no longer meet current codes.
 2. The replacement of the existing gas chlorine system with sodium hypochlorite will result in a less volatile system addressing concerns expressed by both Cal OSHA and Emergency Services.
 3. The conversion project includes installation of a new permanent sodium hypochlorite facility to the existing facilities.
 4. The project was advertised for bid on March 17, 2008.
 5. At the bid opening on April 24, 2008, the City received three bids:

Ahrens Corporation	\$1,149,000
Sansone Corporation	1,254,000
Specialty Construction	1,325,000
 6. Sansone Corporation filed a protest to the apparent low bid submitted by Ahrens Corporation.

ANALYSIS & CONCLUSION: A copy of the bid protest from Sansone was provided to Ahrens, and Ahrens responded to the protest. The City Attorney's office reviewed the protest and Ahrens' response, and concluded that the protest was without merit. Staff reviewed the bid submitted by Ahrens and found it to be responsible and responsive

POLICY REFERENCE: Adopted Capital Improvement Plan
Sewer Operations Manual

FISCAL IMPACT: The City's CIP Budget includes a project to upgrade the WWTP facilities in the amount of \$3,060,000 under Budget No. 221.910.5452.573. There is \$2,772,600 remaining in the budget.

Cash balance available for projects from the Sewer Funds is as follows:

Operations	\$8,700,000
Connection Fees	<u>4,000,000</u>
Total	\$12,700,000

Projects that are being considered for award are as follows:

	Total	% Operations	% Connection Fees
River Road Sewer (with road closure)	\$5,277,000	50% or \$2,638,500	50% or \$2,638,500
Sodium Hypochlorite	\$1,500,000	70% or \$1,050,000	30% or \$450,000
Palm Court Sewer	\$375,000	30% or \$112,500	70% or \$262,500
WWTP Upgrade Design & Oversight	\$1,270,000	100% or \$1,270,000	
	\$8,422,000	\$5,071,000	\$3,351,000

- OPTIONS:**
- a.** Award the construction contract to install a new sodium hypochlorite facility at the WWTP to Ahrens Corporation in the amount of \$1,149,000.
 - b.** Amend, modify, or reject the above option.

Prepared by: Ditas Esperanza, P.E., Capital Projects Engineer

Attachments (2)

- 1) Resolution
- 2) City Attorney's letter regarding the bid protest

RESOLUTION NO. 08-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING A CONSTRUCTION CONTRACT FOR INSTALLATION OF
A SODIUM HYPOCHLORITE FACILITY AT THE WASTEWATER TREATMENT PLANT

WHEREAS, the existing chlorine gas disinfection system at the Wastewater Treatment Plant (WWTP) was installed in 1989, and some of the components no longer meet current codes; and

WHEREAS, replacement of the existing gas chlorine system with sodium hypochlorite will result in a less volatile system, addressing concerns expressed by both Cal OSHA and the City's Emergency Services Department; and

WHEREAS, the conversion project includes installation of a new permanent sodium hypochlorite facility to the existing WWTP facilities; and

WHEREAS, bid documents were prepared and advertised, and at the bid opening on April 24, 2008, three bids were received ranging in price from \$1,149,000 to \$1,325,000; and

WHEREAS, Sansone Corporation filed a protest to the apparent low bid submitted by Ahrens Corporation; and

WHEREAS, a copy of the bid protest from Sansone was provided to Ahrens Corporation, and Ahrens responded to the protest; and

WHEREAS, the City Attorney's office reviewed the protest and Ahrens' response, and concluded that the protest was without merit; and

WHEREAS, staff reviewed the low bid submitted by Ahrens Corporation and found it to be a responsive and responsible bid; and

WHEREAS, there is \$2,772,600 remaining in CIP Budget No. 221.910.5452.573 for upgrading the WWTP facilities.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of El Paso de Robles does hereby reject the bid protest filed by Sansone Corporation.

SECTION 2. The City Council does hereby authorize the City Manager to award the contract to Ahrens Corporation in the amount of \$1,149,000.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 20th day of May 2008 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Deborah D. Robinson, Deputy City Clerk



Linda R. Beck
Attorney at Law

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May 12, 2008

VIA U.S. MAIL AND FACSIMILE TO (805) 549-0702

David Sansone
Sansone Company, Inc.
710-21 Fiero Lane
San Luis Obispo, CA 93401

Re: City of Paso Robles - Sodium Hypochlorite Facility
Response to Bid Protest

Dear Mr. Sansone:

This firm represents the City of Paso Robles. The City has forwarded your letter dated April 24, 2008 to this office for response. The City received a response to Sansone's protest from Ahrens Corporation, dated April 29, 2008. I enclose a copy of this document for your reference.

After reviewing Sansone's protest and Ahrens' response, City staff will recommend that the City Council deny the protest and award the contract to the apparent low bidder, Ahrens Corporation. Our analysis of the protest is summarized below.

- Nothing precludes Ahrens from performing the painting and coating work with its own forces.
- The class "A" license held by O'Connor's Mechanical may cover performance of the structural steel erection.
- Section 05120 of the contract documents requires that the structural steel fabricator hold an AISC certification or other approved certification. In its response, Ahrens states that the fabrication will be performed by a duly certified firm.
- The fact that Mills, Ahrens' listed subcontractor for Metal Wall Panels, quoted non-conforming materials to Sansone does not affect the responsiveness of Ahrens' bid. As Ahrens has acknowledged, they are obligated to furnish the specified materials.

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David Sansone
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Moreover, issues related to the qualifications of Ahrens' subcontractors do not affect the responsiveness of that contractor's bid. See D.H. Williams Construction Co. v. Clovis Unified School District (2007) 146 Cal.App.4th 757.

The City expects to award the contract at the City Council meeting scheduled for May 20, 2008.

Sincerely,

A handwritten signature in cursive script that reads "Linda Beck".

Linda R. Beck

LRB:mag

Enclosure

cc: Doug Monn
Ditas Esperanza