

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JUNE 25, 2018

ITEM NO: 5

SUBJECT: AWARD BID NO. 7557 TO OLDCASTLE PRECAST OF FONTANA, CALIFORNIA, IN THE ANNUAL AMOUNT OF \$284,155 FOR PRECAST CONCRETE STRUCTURES FROM JULY 1, 2018 TO JUNE 30, 2020

ISSUE:

Award Bid No. 7557 for the purchase of precast concrete structures to Oldcastle Precast, of Fontana, California, in the annual amount of \$284,155 for three years through June 30, 2020, totaling \$852,465.

RECOMMENDATION:

That the Board of Public Utilities award Bid No. 7557 for the purchase of precast concrete structures to Oldcastle Precast, of Fontana, California, in the annual amount of \$284,155 for three years through June 30, 2020 totaling \$852,465.

BACKGROUND:

Concrete structures include pull boxes, underground vaults, hand-holes, and other electrical enclosures used to protect and/or support the more delicate sections of the system's electrical grid. Currently, Riverside Public Utilities (RPU) procures concrete structures through a formal bid or panel construction contract with installation by the selected contractor, which includes a minimum 15% markup on the material cost.

The pictures below show the installation of a typical underground vault concrete structure used to protect cable or underground electrical equipment.



DISCUSSION:

In an effort to save ratepayer dollars on concrete structure material costs, as well as have a local concrete structure vendor fabricating RPU specific structures that meet design standards, Bid No. 7557 was posted on March 9, 2018 and closed March 29, 2018. Six vendors were invited to submit bids, and two bids were received. Oldcastle Precast was determined to be the lowest responsive bidder.

Vendors	Location	One-Year Estimate (includes 8.75% taxes)	Evaluation
Oldcastle Precast	Fontana, CA	\$284,155	Lowest responsive and responsible
Jensen Enterprises	Fontana, CA	\$290,090	

Engineer's Estimate: \$350,000

Under the terms of the bid, vendors are responsible to construct and maintain a minimum concrete structure inventory at their place of business until which time the structures are needed for planned RPU construction projects. Vendors would also be required to deliver the concrete structures from the inventory to the project location, as directed by RPU designated contractor. The cost of the concrete structure will be charged directly to the work order approved for the construction project, avoiding the construction contractor markup. The notice inviting bids requested that the vendor submit bids for three years. Oldcastle Precast has agreed to maintain the same low pricing for the materials for a three year term through June 30, 2020.

The Purchasing Manager concurs that the recommended actions is in compliance with Purchasing Resolution No. 23256.

FISCAL IMPACT:

Costs associated with the concrete structures will be charged to approved work orders on a project-by-project basis and funded through the Electric Capital Improvement Program accounts.

Prepared by: George R. Hanson, Utilities Assistant General Manager/Energy Delivery
 Approved by: Todd L. Jorgenson, Interim Utilities General Manager
 Approved by: Al Zelinka, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Laura M. Nomura, Utilities Assistant General Manager/Finance & Administration

Attachment: Bid Award Recommendation