

KEYES COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS MEETING

Date: Tuesday, September 26, 2017

Time: 1:00 p.m.

Place: Keyes Community Services District, 5601 7th St., Keyes, Ca.

Board Members:

Johnathon Parker, Board Chair

Mike Bernal, Vice Chair

William Alexander, Director

Eddie Jones, Director

Davie Landers, Director

Ernie Garza, General Manager

Rod Attebery, Attorney

Lee Fremming, Engineer

Michelle Harris, Board Secretary

Agenda

Public Comment: The law provides the opportunity for the public to be heard on any item within the subject matter jurisdiction of the Board, before or during the consideration of that item by the Board. For all items, *not* on the agenda, the public comment time will be at the start of each meeting as appropriate. The person addressing the Board is limited to five (5) minutes unless the Chairman of the Board grants a longer period of time as appropriate to manage the agenda. State law does not allow action to be taken on any item not on the Agenda. The boardroom is handicapped accessible.

This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. §12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Board Clerk, at 209-668-8341, during regular business hours, at least twenty-four hours prior to the time of the meeting.

Pursuant to the Brown Act as codified in Government Code Section 54957.5, any documents pertaining to a non-closed agenda item distributed to a majority of the Board of Directors in less than 72 hours before a Board meeting shall be available for public inspection. Said documents shall be available for inspection at the Keyes Community Services District Administrative Office located at 5601 7th Street, Keyes, California, Monday through Friday, except Holidays, between the hours of 9:00 a.m. and 12:00 p.m.

- 1. Call to Order.**
- 2. Pledge of Allegiance.**
- 3. Roll Call.**

- 4. Public Comment on Non-Agenda Items.**
- 5. Consent Agenda.**
 - A) Approve Minutes of August 22, 2017.**
 - B) Approve Warrant Register for September 26, 2017.**
 - C) Approve the 2018/2019 Preliminary Budget.**
- 6. DISCUSSION/POSSIBLE ACTION ITEMS**
 - A) Discussion and Possible Action to form an ad-hoc committee to discuss the possibility of replacing water meters.**
 - 1) Receive Staff Report.**
 - 2) Receive Public Comment.**
 - 3) Board Discussion and Deliberation.**
 - 4) Discussion and Possible action to form ad-hoc committee to discuss the possibility of replacing the water meters.**
 - B) Discussion and Possible action to award the construction contract for the Arsenic Mitigation Project.**
 - 1. Receive Staff Report.**
 - 2. Receive Public Comment.**
 - 3. Board Discussion and Deliberation.**
 - 4. Possible Action to award the construction contract for the Arsenic Mitigation Project.**
 - C) Discussion and Possible action to award the construction contract for the Water Transmission and Distribution System Improvements Project.**
 - 1. Receive Staff Report.**
 - 2. Receive Public Comment.**
 - 3. Board Discussion and Deliberation.**
 - 4. Possible Action to award the construction contract for the Water Transmission and Distribution System Improvements Project.**
- 7. Items from General Manager.**
 - A) Maintenance Staff Report**
- 8. Staff Comments.**
 - A) Lee Fremming**
- 9. Director Comments**
- 10. Adjournment**

Posted: September 22, 2017

**Honorable Members
Of the KCSD Board**

Agenda Item: A
Board Meeting of
September 26, 2017

Approve Minutes of August 22, 2017.

Recommendation: Review and approve

KEYES COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS MEETING

Date: Tuesday, August 22, 2017

Time: 1:00 p.m.

Place: Keyes Community Services District, 5601 7th St., Keyes, Ca.

1. Call to Order.

The meeting was called to order at 1:00 p.m.

2. Pledge of Allegiance.

3. Roll Call.

Present were President Parker, Vice President Bernal, Director Alexander, Director Jones and Director Landers. Also present were General Manager Garza, Engineer Lee Fremming, Maintenance Supervisor Michael Jones, Board Secretary Michelle Harris and attorney Rod Attebery was present via phone.

4. Public Comment on Non-Agenda Items.

None.

5. Consent Agenda.

A) Approve Minutes of July 25, 2017.

B) Approve Warrant Register for August 22, 2017.

There was a motion made to accept the consent agenda by Director Landers and a second by Director Alexander. Director Landers(M), Director Alexander(S), President Parker(AYE), Vice President Bernal(AYE) and Director Jones(AYE).

6. DISCUSSION/POSSIBLE ACTION ITEMS

A) Discussion and Possible Action to accept revised engagement letter from Robert A. Hawks, Jr., CPA.

There was a motion made to accept the revised engagement letter from Robert A. Hawks, Jr., CPA by Director Landers and a second by Vice President Bernal. Director Landers(M), Vice President Bernal(S), President Parker(AYE), Director Alexander(AYE) and Director Jones(AYE).

B) Discussion and Consider adopting three Resolutions required by the State Water Resources Control Board as part of the DWSRF application to construct TCP Removal Treatment System improvements at Wells #7, #8, #9 and Well #10.

1) Discussion and Possible Action to adopt Resolution 2017-523, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KEYES COMMUNITY SERVICES DISTRICT AUTHORIZING THE GENERAL MANAGER TO SIGN FINANCING AGREEMENT, AMENDMENT, AND CERTIFICATIONS FOR FUNDING UNDER THE DRINKING WATER STATE REVOLVING FUND (DWSRF); AUTHORIZING GENERAL MANAGER TO APPROVE CLAIMS FOR REIMBURSEMENT; AUTHORIZING GENERAL MANAGER TO EXECUTE BUDGET AND EXPENDITURE SUMMARY;

AUTHORIZING GENERAL MANAGER TO SIGN THE FINAL RELEASE FORM AND GENERAL MANAGER TO SIGN THE CERTIFICATION OF PROJECT COMPLETION; AND PLEDGING AND DEDICATING NET WATER REVENUES TOWARDS PAYMENT OF DWSRF FINANCING.

2) Discussion and Possible Action to adopt Resolution 2017-524, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KEYES COMMUNITY SERVICES DISTRICT STATING ITS INTENTION TO BE REIMBERSED FOR EXPENDITURES INCURRED AHEAD OF THE APPROVAL OF THE DISBURSEMENT OF DWSRF CONSTRUCTION FUNDS FROM THE STATE WATER RESOURCES CONTROL BOARD.

3) Discussion and Possible Action to adopt Resolution 2017-525, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KEYES COMMUNITY SERVICES DISTRICT AUTHORIZING THE GENERAL MANAGER TO SIGN AND FILE A FINANCIAL ASSISTANCE APPLICATION TO THE STATE DRINKING WATER STATE REVOLVING FUND ASSISTANCE APPLICATION TO THE STATE DRINKING WATER STATE REVOLVING FUND (DWSRF) FOR THE PLANNING AND CONSTRUCTION OF THE WELL #7, WELL #8, WELL #9 and WELL #10 TCP REMOVAL TREATMENT SYSTEM IMPROVEMENTS.

There was a motion made to adopt Resolution 2017-523, Resolution 2017-524 and Resolution 2017-525 by Director Landers and a second by Director Alexander. Director Landers(M), Director Alexander(S), President Parker(AYE), Vice President Bernal(AYE) and Director Jones(AYE).

7. Items from General Manager.

A) Maintenance Staff Report

- 1) Well 10 has been repaired and is back on line.
- 2) Mike Jones attended the SRWA meeting and attached the power point that was discussed. The discussion was related to the Water Treatment Plant that is to be constructed at Fox Grove Park. Mike asked for direction from the Board to continue going to the meetings so that we stay apprised of what is happening.
- 3) Senate Bill 1398 went into effect on September 27, 2016. This bill requires PWS (Public Water Systems) to compile an inventory of known lead user service lines in use in its distribution system and identify areas that may have lead user service fittings connecting a water main to an individual water meter or service connection. By July 1, 2020 PWS with areas that may have lead user service lines in use in its distribution system must either determine the existence or absence of lead user service lines in these areas and provide that information to the State Board, or provide a timeline for replacement of the user service lines whose content cannot be determined. This timeline must be approved by the State Board.

- 4) Mike Jones discussed the Badger Meter ORION Fixed Network / Cellular Endpoint and Beacon Software meter reading system. He explained the advantages of converting to this type of meter and how it differs from what we are currently using. The majority of our meters will reach 15 years of age which will require a replacement in about 4 or five years. It is his recommendation that the Board of Directors review this Software meter system. He would like to place an item on the agenda next month to form an ad hoc committee to discuss the possibility of replacing the water meters.
- 5) After taking some of the contractors to the site of the ATF there were questions regarding the size of the property. They were wondering where they would be able to put their equipment. Mike went and spoke with Bob Gallagher and asked if some of their property would be available to use during construction. Bob said that he would let the contractors use some of the property but he needed a letter stating what exactly we are asking for and something that holds them harmless if someone were to get hurt. Mike also asked if the District would be able to purchase more property from AL Gilbert and Bob said they were open to the idea.
- 6) Someone from AL Gilbert reached out to Michelle regarding the possibility of hooking up the Seed Factory to the water. The seed factory is on their own well. They do have a water service but it is locked out. The gentleman that owned it before did not want to pay the monthly bill so they just locked the service out. In our ordinance code, it says that on or before 1987 if you abandon a well and hook up to the water you are not required to pay the connection fee. Mike said he did not know if this was something the district would want to consider or would be able to consider due to the date. He looked in the folder and it showed the connection fee paid and then it was marked out and said void. He asked Eddie Jones if he remembered anything and he didn't. If we allow them to abandon the well that would mean that there would be two parcels that would need to be connected to our water. If they did become a customer we would be charging them 116.00 a month so we would gain \$1,400.00 a year.
- 7) Mike was talking to Lee Fremming regarding a water connection require service in the Orchard Village Mobile Home Park. At one time they wanted to connect into our system but it did not happen. They do have a water line running to them for two fire hydrants. The District never required a backflow but it should be required. Mike would like to send them a letter letting them know that this needs to be installed. They do have their own well that provides them service but if they ever tapped into the fire hydrants that would result in a bad cross connection.

B) Financial Statements

C) Hacking the Hackers.

Our new IT company Layer 3 IT is hosting an event on August 23, 2017 from 4 p.m. to 6 p.m. that will talk about the way people are hacking into our computers and what we need to look for. The office will be closed at 4 p.m. so the staff can attend.

- D) Ernie is going to talk to the MAC and see if he can get himself and Lee on the agenda for the October meeting. We will be able to show everyone what is going to be happening and answer questions that anyone may have regarding the ATF. This will be at the Community Night Out. It will be held at the church this year.

8. Staff Comments.

A) Lee Fremming

The pre-bid meeting for the water transmission and distribution system improvements is scheduled for August 23rd and the bid opening is scheduled for September 12th. The ATF project will have their bid opening on August 24th. The Consolidation Project design is close to 65% completion and Blackwater has reported that they are on schedule. Bonita Ranch still has some work to complete this project. The electrical engineer provided the updated dimensions for the generator foundation which changed due to new fire regulations. The changes are made and we can now complete the plans.

9. Director Comments

Director Landers would like to ask Ernie if we could get a plaque made up for Johnathon Parker for all of his service to the District.

10. Adjournment

There was a motion made to adjourn the meeting at 1:39 p.m. by Director Alexander and a second by Director Jones. Director Alexander(M), Director Jones(S), President Parker(AYE), Vice President Bernal(AYE) and Director Landers(AYE).

Minutes taken by: Michelle Harris

Minutes typed by: Michelle Harris

**Honorable Members
Of the KCSD Board**

Agenda Item: B
Board Meeting of
September 26, 2017

**Approve Warrant Register for September 26, 2017.
Warrant #XXXXXX through #XXXXXX for \$0.00.**

**Honorable Members
Of the KCSD Board**

PRESENTATION
Board Meeting of
September 26, 2017

Approve the 2018/2019 Preliminary Budget.

Fund 10
Revenue

Estimated as of
6/18 Proposed 2018/2019 Budget

Service Charge	1,331,951.88	1,350,000.00
Inspection Fee	360.00	500.00
Commercial Water Usage	89,683.20	90,000.00
Late Charges	45,346.98	46,000.00
Returned Check Charge	720.00	720.00
Water Violation	300.00	300.00
Taxes Current Secured	600.00	600.00
Taxes Current Unsecured	60.00	60.00
Interest From County	12,000.00	12,000.00
Copies	110.40	120.00
Faxes	150.00	150.00
Other Revenue	5,220.00	5,220.00
Credit Card Fee	4,174.20	5,000.00
Back Flow Test	210.00	210.00
Estimated Total	1,490,886.66	1,510,880.00

Expenses

Estimated as of
6/18 Proposed 2018/2019 Budget

Admin Salaries	64,239.42	66,000.00
Admin OT	445.62	500.00
Admin Retirement	13,184.82	14,000.00
Admin Employee Insurance	44,520.96	45,000.00
Admin FICA/Medicare	918.66	920.00
Admin Workers Comp	288.48	300.00
Admin District Insurance Liability	6,000.00	6,000.00
Admin Property Tax	800.00	800.00
Admin Cash Over / Under	500.00	500.00
Admin Bank Fees	2,838.12	3,000.00
Admin Return Checks	378.00	380.00
Admin Office Supplies	4,000.00	4,000.00
Admin Postage	5,000.00	5,000.00
Admin Dues & Subscriptions	1,000.00	1,000.00
Admin Janitorial Supplies	250.00	250.00
Admin Contracts	5,908.92	6,000.00
Admin Cell Phone Expenses	301.08	300.00
Admin Audit	10,000.00	10,000.00
Admin Attorney Fees	10,000.00	10,000.00
Admin Education Training	2,700.00	2,700.00

Admin Travel Expense	1,000.00	1,000.00
Admin Bldg Structure	1,500.00	1,500.00
Admin Equipment Repair	2,500.00	2,500.00
Maintenance Salaries	76,363.02	80,000.00
Maintenance OT	608.88	700.00
Maintenance Retirement	15,959.52	17,000.00
Maintenance Employee Insurance	48,287.64	50,000.00
Maintenance Fica/Medicare	1,090.08	1,100.00
Maintenance Work Comp	4,162.44	4,200.00
Maintenance District Insurance Liability	6,000.00	6,000.00
Maintenance Dues & Subscriptions	8,409.12	8,500.00
Maintenance Janitorial Supplies	334.92	350.00
Maintenance CDPH Monitoring	5,000.00	5,000.00
Maintenance Contracts	10,918.92	11,000.00
Maintenance Uniforms	900.00	900.00
Maintenance Cell Phones	692.22	700.00
Maintenance Tools	2,000.00	2,000.00
Maintenance Bertolotti	562.80	600.00
Maintenance Engineering	5,000.00	5,000.00
Maintenance Education Training	1,770.00	2,000.00
Maintenance Travel Expense	2,700.00	2,700.00
Maintenance Gas & Oil	4,500.00	4,500.00
Maintenance Vehicle Maintenance	3,000.00	3,000.00
Maintenance Utilities	66,191.04	67,000.00
Maintenance Chlorine	2,283.18	2,500.00
Maintenance Building Structure	1,500.00	1,500.00
Maintenance Equipment Repair	20,678.40	21,000.00
Directors Salaries	3,000.00	3,000.00
Directors FICA/Medicare	137.88	140.00
Directors Workers Comp	13.80	15.00
Directors Cell Phone	309.54	310.00
Directors Education Training	1,000.00	1,000.00
Directors Travel Expense	1,000.00	1,000.00
GM Salaries	22,257.60	23,000.00
GM FICA/Medicare	1,702.80	1,700.00
GM Workers Comp	101.52	101.00
G< Reimbursement	4,800.00	4,800.00
GM Office Supplies	100.00	100.00
GM Cell Phones	251.46	250.00
GM Education/Training	500.00	500.00
GM Travel Expense	1,000.00	1,000.00
	503,360.86	515,816.00
	987,525.80	995,064.00

Fund 20
Revenue

Estimated as of
6/18 Proposed 2018/2019 Budget

Service Charge	1,186,036.38	1,200,000.00
Inspection Fee	360.00	400.00
Interest From County	4,000.00	4,000.00
	1,190,396.38	1,204,400.00

Expenses

Estimated as of
6/18 Proposed 2018/2019 Budget

Admin Salaries	63,056.58	65,000.00
Admin OT	445.56	600.00
Admin Retirement	13,304.34	14,000.00
Admin Employee Insurance	44,519.52	45,000.00
Admin FICA/Medicare	918.48	920.00
Admin Workers Comp	287.94	300.00
Admin District Insurance Liability	6,000.00	6,000.00
Admin Property Tax	800.00	800.00
Admin Cash Over / Under	500.00	500.00
Admin Bank Fees	2,838.00	3,000.00
Admin Return Checks	378.00	380.00
Admin Office Supplies	7,882.74	7,800.00
Admin Postage	5,000.00	5,000.00
Admin Dues & Subscriptions	1,000.00	1,000.00
Admin Janitorial Supplies	334.92	350.00
Admin Contracts	5,908.92	6,000.00
Admin Cell Phone Expenses	335.64	340.00
Admin Audit	10,000.00	10,000.00
Admin Attorney Fees	10,000.00	10,000.00
Admin Education Training	1,500.00	1,500.00
Admin Travel Expense	2,000.00	2,000.00
Admin Bldg Structure	2,200.00	2,200.00
Admin Equipment Repair	2,500.00	2,500.00
Maintenance Salaries	76,362.78	80,000.00
Maintenance OT	608.82	700.00
Maintenance Retirement	15,959.28	17,000.00
Maintenance Employee Insurance	48,286.32	50,000.00
Maintenance Fica/Medicare	1,089.84	1,100.00
Maintenance Work Comp	4,162.08	4,200.00
Maintenance District Insurance Liability	6,000.00	3,000.00
Maintenance Building Grounds	1,000.00	1,000.00
Maintenance Dues & Subscriptions	13,000.00	13,000.00
Maintenance Janitorial Supplies	334.74	335.00
Maintenance Contracts	5,908.74	6,000.00
Maintenance Uniforms	900.00	900.00
Maintenance Cell Phones	726.78	800.00

Maintenance Tools	2,000.00	2,000.00
Maintenance Bertolotti	562.80	575.00
Maintenance Contract/Turlock	276,267.84	280,000.00
Maintenance Engineering	5,000.00	5,000.00
Maintenance Encroachment Permit	1,000.00	1,000.00
Maintenance Education Training	1,500.00	1,500.00
Maintenance Travel Expense	2,000.00	2,000.00
Maintenance Gas & Oil	4,500.00	4,500.00
Maintenance Vehicle Maintenance	3,000.00	3,000.00
Maintenance Utilities	10,000.00	10,000.00
Maintenance Building Structures	1,500.00	1,500.00
Maintenance Equipment Repair	15,000.00	15,000.00
Directors Salaries	3,000.00	3,000.00
Directors FICA/Medicare	137.52	140.00
Directors Workers Comp	13.80	15.00
Directors Cell Phone	344.10	350.00
Directors Education Training	1,000.00	1,000.00
Directors Travel Expense	1,000.00	1,000.00
GM Salaries	22,257.60	23,000.00
GM FICA/Medicare	1,702.56	1,700.00
GM Workers Comp	101.52	100.00
GM Reimbursement	4,800.00	4,800.00
GM Office Supplies	100.00	100.00
GM Cell Phones	286.08	290.00
GM Education/Training	3,000.00	3,000.00
GM Travel Expense	6,000.00	6,000.00
	722,123.84	733,795.00
	468,272.54	470,605.00

Fund 30
 Revenue

Estimated as of
 6/18 Proposed 2018/2019 Budget

Special Assessments Street Lights	64,000.00	69203.7
Interest From County	1,200.00	1200
	65,200.00	70,403.70

Expenses

Estimated as of
 6/18 Proposed 2018/2019 Budget

Maint Tools	300.00	300
Maint Encroachment Permit	1,000.00	1000
Maint Utilities	10,222.86	10500
Maint St. Lt. Material	2,000.00	2000
Maint Equipment/Repair	2,000.00	2000
Maint St. Lt Imprvmnt	120,000.00	120000
	135,522.86	135,800.00

	(70,322.86)	(65,396.30)
--	--------------------	--------------------

Fund 50
Revenue

	Estimated as of 6/18	Proposed 2018/2019 Budget
Arsenic Treatment Facility	6,200,000.00	6,200,000.00
Connection Fee	100,000.00	100,000.00
Interest From County	500.00	500.00
Consolidation Expenses	3,700,000.00	3,700,000.00
Consolidation Project Expenses	2,500,000.00	2,500,000.00
	12,500,500.00	12,500,500.00

Expenses

	Estimated as of 6/18	Proposed 2018/2019 Budget
Cap Improve Wtr Sys Imp	149,350.00	149,350.00
Cap Improve Arsenic Trt	667,061.00	667,061.00
Cap Improve Pot Holing	20,000.00	20,000.00
Cap Improve Contingency	96,310.50	96,310.50
	932,721.50	932,721.50
	11,567,778.50	11,567,778.50

Fund 60
Revenue

Estimated as of
6/18 Proposed 2018/2019 Budget

Connection Fee	60,000.00	60,000.00
Interest From County	1,500.00	1,500.00
	61,500.00	61,500.00

Expenses

Estimated as of
6/18 Proposed 2018/2019 Budget

Cap Improve Main Lift Station	10,000.00	10,000.00
	10,000.00	10,000.00

Total	51,500.00	51,500.00
-------	-----------	-----------

Fund	Description	Estimated Fiscal Year 2018	Estimated Fiscal Year 2019
10	Water	987,525.80	995,064.00
20	Sewer	468,272.54	470,605.00
30	Street Lights	(70,322.86)	(65,396.30)
50	Water Cap Conn	11,567,778.50	11,567,778.50
60	Sewer Cap Conn	51,500.00	51,500.00
		<u>13,004,753.98</u>	<u>13,019,551.20</u>



STAFF REPORT

Meeting Date: September 26, 2017

Agenda Item: A

Agency: Keyes Community Services District
Staff Contact: Michael Jones, Maintenance Operations Supervisor
Agenda Title: CREATION OF AN AD HOC COMMITTEE OF THE KEYES CSD TO EXPLORE A
METER REPLACEMENT PROGRAM
Agenda Action: Discussion & Action

Recommendation:

Staff recommends that the Keyes CSD Board of Directors form an ad hoc committee to explore a meter replacement program strategy.

Background:

Currently the District utilizes AMR radio to read domestic water meters. The radio read collects the meter reading as the meter reader drives by. The existing meters in use are Badger and AMCO products and the system provides a single total of water used in a specific timeframe. The Badger meters can be profiled to obtain hourly usage data. The AMCO meters can't be profiled. There are approximately 91 AMCO meters in use in the District. Most of these are 14 – 15 years old already.

The lifespan of a water meter is approximately 15-20 years. As a meter ages the accuracy drops off due to wear. Over the next four years most water meters will reach 15 years of age requiring a replacement strategy. In preparation for replacement, staff has been reviewing water meter technology determining what water meter and reading solution would be best fit for the District.

Analysis:

The Board of Directors can form an ad hoc committee to address a meter replacement program for the Keyes CSD water system.

Purpose

The proposed purpose of the ad hoc committee would be to explore various alternatives to a meter replacement program, when to start the program and to make recommendations to the Keyes CSD Board of Directors. The ad hoc committee could complete its work by preparing and presenting its work to the Board summarizing the work, providing a list of recommendations, and outlining measures to implement those recommendations.



STAFF REPORT

Meeting Date: September 26, 2017

Agenda Item: A

Duration

Staff recommends that the ad hoc committee complete its work within 6 months. The committee can report on the progress at the District's regular monthly meetings.

Composition

The Committee should include two Board members and at least two staff members. The Board of Directors can decide to include at-large members of the public if it is viewed as beneficial to the work of the committee.

Time Commitment

Staff suggests that the ad hoc committee meet at least once a month for at least 1 -2 hours with additional meetings as needed. Staff would work with the Committee to establish a regular meeting time and place.

ARSENIC MITIGATION PROJECT BID STAFF REPORT

BACKGROUND

On August 24, 2017, KCSD and Jacobs personnel opened bids for our Arsenic Mitigation Project Water Treatment Facility. Of the five (5) bids received shown in the Bid Tabulation, the low bid was from Clark Bros Inc. in the amount of \$11,772,000.00. The second low bidder was Overaa & Company with a bid of \$11,785,000.00. The Bid amounts were way over the original estimate of approximately \$7.7 million not including contingency. Included in your packet is a letter from Jacobs addressing the cost estimate and the number of reasons for this drastic increase.

Overaa & Company submitted a Bid Protest letter on August 31, 2017 stating that they consider Clark Bros bid to be non-responsive because they did not comply with required bid conditions and that they do not meet the Experience Requirement as specified in the Instruction to Bidders.

ANALYSIS:

KCSD and Water Board personnel contacted their respective legal counsel regarding the Bid Protest by Overaa & Company. It is our understanding that after reviewing the Overaa Bid Protest letter, both the Water Board attorney and KCSD attorney have determined that the protest letter is without merit.

FISCAL IMPACT:

\$11,772,000.00

EXHIBITS:

1. Bid Tabulation
2. Jacobs Cost Estimate (Letter dated 31 Aug 2017)
3. Overaa & Co. Bid Protest (Letter dated 31 Aug 2017)
4. Jacobs Construction Bids and Award Recommendation

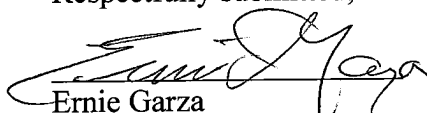
CONCLUSION:

Based on the determination made by legal counsel, a decision to award the Arsenic Mitigation Project may be made by the Board of Directors today.

RECOMMENDATION:

That the Board of Directors accept and award the Arsenic Mitigation Project Bid to Clark Bros Inc. in the amount of \$11,772,000.00.

Respectfully submitted,


Ernie Garza
General Manager

Project Owner:

Keyes Community Services District

Project Title:

Arsenic Mitigation Project Water Treatment Facility (ATF)

Project Design & CM:

Jacobs

PROJECT NO:

W8X9300

Bid Opening Date:

August 24, 2017 at 2:00 PM

Bid Tabulation

ITEM															
NO.	ITEMS	UNIT	QTY	ENGINEERS ESTIMATE	Clark Bros. Inc	Overraa & Co.	GSE Construction	Mountain Cascade, INC.	Myers and Sons Construction LP						
1	Mobilization/ Demobilization (not to exceed 5% of the total bid price) as defined in Section 01310.	LS	1	430,000	500,000	565,000	550,000	500,000	550,000						
2	All work required to construct the Keyes Water Treatment Facility as defined in Section 01310. This Bid Item includes all Work, except the work described under Bid Items 1, and 3 through 6, inclusive	LS	1	7,510,000	10,655,425	9,375,000	8,890,000	9,350,000	11,086,000						
3	Construction cost associated with trench sheeting, shoring and bracing as described by Section 6707 of the Labor Code, complete in place and as defined in Section 01310.	LS	1	10,000	575	50,000	5000	50,000	6000						
4	All work to construct well site modifications (Well Sites 7,8,9, and 10) as defined in section 01310.	LS	1	500,000	416,000	1,595,000	2,200,000	1,758,750	350,000						
5	Allowance for differing site conditions, correction of unforeseen utility conflicts, or correction of conflicts with existing facilities as defined in Section 01310. Any unused balance of this allowance shall revert to Owner upon completion of the project.	Allowance	1	100,000	100,000	100,000	100,000	100,000	100,000						
6	Owner upon completion of this additional work as defined in Section 01310. Any unused balance of this allowance shall revert to Owner upon completion of the project.	Allowance	1	100,000	100,000	100,000	100,000	100,000	100,000						
TOTAL BID PRICE (Sum of items 1 through 6)				\$8,650,000	\$11,772,000	\$11,785,000	\$11,845,000	\$11,858,750	\$12,192,000						



300 Frank H. Ogawa Plaza, Suite 600, Oakland, CA 94612
Main 1.510.457.0027 Fax 1.510.457.0037

August 31, 2017

Ernie Garza
General Manager
Keyes Community Services District
5601 7th Street
P.O. Box 699
Keyes, CA 95328

Project No. W8X93700
Construction Support Services
Letter #001 (sent via e-mail)

**Subject: Arsenic Mitigation Project Water Treatment Facility (ATF)
Jacobs Cost Estimate**

Dear Mr. Garza:

As you are aware, the Jacobs construction cost estimate for the Keyes ATF project was substantially lower than the actual construction bids. Following are a number of reasons for the discrepancy:

1. The original estimate, prepared in 2014, was approximately \$7.7 million, not including contingency. Jacobs increased the estimate to \$8.65 million to reflect an inflation rate of approximately 4% per year. The low bid was \$11,772,000. However, market conditions have changed substantially since 2014. Skilled labor shortages are prevalent across the California market. In addition, specialty material and equipment prices have increased in price much more than the base inflation rate. The California State Water Board has indicated that bid prices for many of their projects are substantially higher than the estimates. There has also been a significant price increase for instrumentation and control (I&C) system integration in the last couple of years.
2. Jacobs included a \$2.3 million construction contingency for all projects, of which about \$1.8 million is for the treatment plant. This contingency is not included in the \$8.65 million estimate.
3. Jacobs added a number of additional features to the project since completion of the original estimate. These features include:
 - Addition of a break tank and pumps, along with associated electrical and I&C work
 - Addition of an air scour blower system with associated electrical and I&C work to improve filter backwash performance, increase filter run times, increase filter media life expectancy and reduce the total backwash water volume
 - A larger steel storage tank
 - A perimeter retaining wall as high as 3.5 feet to address grading and drainage issues. Also added slotted pipe, area drains, and conveyance pipe to provide positive on-site drainage and water conveyance away from retaining walls.
 - Addition of an office trailer and utilities
 - An increase in the size of suction piping for the finished water pump station to reduce head loss and velocities

- The filter press basis of design was changed from Pac-Press due to concerns expressed by Pac-Press with their experience on other similar applications. The new basis of design is based on a Fournier fully automated plate and frame filter press.
 - Rerouted a flushing water pipe to direct water away from the finished water storage tank and retaining wall
4. Added a \$100,000 allowance item to the bid form for differing site conditions
 5. Added a \$100,000 allowance item to the bid form for Owner-initiated additional work

With five bidders within 4% of each other, we believe the bid prices reflect the true price of the project in this market.

Sincerely,

Michael A. DiNapoli

Michael A. DiNapoli, PE
Project Manager
Jacobs Project Management Company

cc: File
Lee Fremming, Principal Engineer, QK Inc.
Michelle Harris, Office Supervisor, KCSD
Tyler Sheldon, Jacobs
Mehdi Arbabian, Construction Manager, Jacobs
Samneet Singh, Field Office Engineer, Jacobs



200 Parr Boulevard
Richmond, CA 94801
Tel 510-234-0926
Fax 510-237-2435

August 31, 2017

Keys Community Services District
5601 7th Street
Keyes, CA 95328
Attention Ernie Garza, General Manager

Subject: Bid Protest for Arsenic Mitigation Project
Delivered via hard copy, hand delivery

Good afternoon Mr. Garza,

In accordance with guidelines provided in Special Conditions SC-14 PROTEST of BIDS, C. Overaa & Co. hereby protests the bid by the apparent low bidder CLARK BROS. Inc. (CBI). After review of this information, we are confident that you will concur with our finding that CBI's bid is both non-responsive, because CBI did not comply with required bid conditions, and non-responsible, because CBI does not meet the Experience Requirement as specified in the Instruction to Bidders.

The Instruction to Bidders states clearly that bidder must have constructed "no less than three (3) similar" projects. The requirements are clarified by the statement that "Similar projects shall be of like size". CBI's list qualifying projects includes just one project in excess of \$6M, and even that one is only 57% of the size of your FWTF project. We question whether this one project, the Planada WWTP project, qualifies as "like size", because, although the project is at a treatment plant, the construction consisted primarily of pond improvements, pipelines, small pump stations and a headworks. In contrast, your project is highly complex with a focus on chemical and control systems.

CBI does list one project with marked similarities to your project, albeit of much smaller size, the North Edwards Water District project. CBI was terminated from that project for failure to pre-pay a sole-sourced equipment supplier. In our experience, contractor pre-payment for sole sourced equipment is a common reality in the water business, and the lack of CBI's understanding of this reality or their lack of financial resources speaks to their inexperience in this type of construction.

The Instruction to Bidders states (7) Each bid must include submission of a copy of Attachment B, Form 4500-3, for each DBE subcontractor. **Failure to include a copy of Attachment B for each DBE subcontractor will lead to the bid being declared non-responsive by the district.** CBI did not include this form for Crosno, Kames Long, All Steel Fence nor National Coatings. Furthermore, CBI did not complete form 4500-4. Once again, Instruction to Bidders states (8) Each bid must include submission of Attachment C, Form 4500-4. **Failure to include Attachment C will lead to the bid being declared non-responsive by the District.**

www.overaa.com
License No. 106793

Although we have not previously worked for the District, Overaa has a rich history of building large, complex treatment plant projects for your neighboring cities including Merced, Atwater, Turlock Riverbank, Tracy and Manteca. We have the experienced, local craftsmen available to successfully build this project, on time, without any financially caused delay and most importantly, with the quality of construction and commissioning to assure the district continues to provide safe and plentiful drinking water to your customers.

We look forward to your determination that CBI's bid is both non-responsive and non-responsible and the opportunity to be your builder on this important project.

Sincerely,
C. Overaa & Co.



Jeff Naff

Vice President of Municipal Infrastructure

Cc: CLARK BROS. INC. FAX 559-721-2114
Lee Fremming Lee.fremming@qkinc.com
Mike DiNapoli Mike.dinapoli@jacobs.com

BIDDERS INTERESTED IN MORE THAN ONE BID

No Bidder, whether a person, firm, partnership, corporation, or association, shall be allowed to make, file, or to be interested in more than one Bid for the same work unless alternate bids are called for. A person, firm, partnership, corporation, or association who has submitted a sub bid to a Bidder, or who has quoted prices on materials to a Bidder, is not thereby disqualified from submitting a sub bid or quoting prices to other Bidders.

DISQUALIFICATION OF BIDDERS

More than one Bid for the same work from a person, firm, partnership, corporation, or association under the same or different name will not be accepted. Reasonable ground for believing that any person, firm, partnership, corporation, or association is interested in more than one Bid for the same work will cause the rejection of all Bids for the work in which such Bidder is interested. Any or all Bids will be rejected if there is reason for believing that collusion exists among any of the Bidders.

EXPERIENCE OF BIDDERS

Each Bid shall be supported by a statement of the Bidders' experience on the form entitled "INFORMATION REQUIRED OF BIDDER," bound herein. No award of contract will be made to a Contractor who does not hold an active Class "A" license or the appropriate specialty license applicable to the type of work bid upon at the time of opening Bids.

Contractor shall be qualified to construct the KWTF, and demonstrate said qualifications with bid submittal. The KWTF is a highly complex water treatment facility that includes a combination of chemical, structural, hydraulic, electronic, and electrical processes acting together to provide a fully functioning water treatment facility for the purpose of treating groundwater to protect public health. As such, the contractor shall have experience and understanding of like or similar projects, and demonstrate said experience and understanding in the bid submittal.

Specifically, contractor shall demonstrate successful construction of no less than three (3) similar water/wastewater treatment facility projects constructed over the past eight (8) years. Similar projects shall be of like size, have included chemical storage and feed systems, water/wastewater treatment processes, sophisticated instrumentation for monitoring and control of pumps and chemical metering pumps, coordinated pumping/valving processes including filtering and backwashing systems, and waste/residual processing and systems. Contractor shall also demonstrate experience and knowledge with commissioning, start-up, and testing of complex water/wastewater treatment facility processes, including adjustment of flow control and metering devices, programming and setting PLC's and RTU's, water quality testing, calibration of instrumentation, etc. Contractor shall also have experience and understanding of safety practices associated with water treatment chemicals, high voltage electrical systems, need and use of

proper ventilation and respiratory devices, work in confined spaces, storage of toxic and hazardous materials, lifting and transporting heavy equipment, working in elevated locations, etc. Participation in similar projects as a sub-contractor shall not qualify as adequate experience for the work.

Provide list of projects including project name, description, and owner name with contact information. Provide a narrative of each project to demonstrate experience and knowledge of the various work items as stated above. Failure to clearly demonstrate qualifications shall be basis for rejection of bid.

BIDDER'S STATEMENT OF SUBCONTRACTORS

In the form entitled List of Subcontractors, in the Information Required of Bidder and pursuant to Section 4107 of the Public Contract Code, the Bidder shall submit the name and location of the place of business of each subcontractor who will perform work or labor or render service to the Bidder in or about the construction of the Work or improvement, or a subcontractor licensed by the State of California who under subcontract to the Bidder specially fabricates and installs a portion of the work, in an amount in excess of one-half of one percent (1/2%) of the Bid. The Bidder shall indicate the portion which will be done by each such subcontractor for each such portion as is defined by the subcontractor in its bid. This listing requirement shall apply to sub-subcontractors of any installation subcontractor which is utilized to install the Work, which sub-subcontractors perform work in excess of one-half of one percent of the Contractor's Total Bid Price. The Contractor shall ensure by Contract that any subcontractor installing the Work fulfills the responsibilities of a prime contractor under Public Contract Code Section 4100, et. seq.

Failure to so list subcontractors is an express statement by the Bidder that it will perform that portion of the work with its own forces. The Bidder may not substitute any person or subcontractor for a listed subcontractor without first obtaining written permission of the Project Manager pursuant to provisions of Section 4107 of the Public Contract Code.

AWARD OF CONTRACT

The District reserves the right to reject any and all proposals.

The award of the contract, if it be awarded, will be to the lowest responsible bidder whose proposal complies with all the requirements prescribed. The lowest responsible bidder will be determined on the basis of the total of the base bid items alone.

BID SECURITY, BONDS AND INSURANCE

Each Bid shall be accompanied by a certified or cashier's check or an approved Bid Bond in the amount stated in the Notice to Contractors. Said check or bond shall be made payable to the District and shall be given as a guarantee that the Bidder, if awarded the Work, will enter into a Contract with the District, and will furnish the necessary insurance certificates, Payment Bond,



CLARK BROS. INC.
C O N T R A C T O R S

• California License No: 233848
• North Dakota License No: 55150 • Arizona License No: 286443 • Oregon License No: 209072
• Utah License No: 9651354-5501 • Nevada License No: 0081023 • Idaho License No: RCE - 42095

LETTER OF EXPLANATION

In January of 2014 Clark Bros., Inc. (CBI) entered into contract with North Edwards Water District (NEWD) to build a water filtration system to mitigate the arsenic levels in their water to a safe and legal limit. This project was funded with California Proposition 84 monies. In violation of State law, NEWD sole-sourced a manufacturer of the filtration equipment who did not have the working capital to build a project of this magnitude. This caused the vendor to greatly delay the project, as they would not begin fabrication without being paid up front to do so. In fact, although they were scheduled to deliver 18 weeks after approval of their submittals, which would have been in July, eleven months into the project, the vendor still had not delivered any equipment. Further, in contravention to California Prompt Payment law, NEWD was continuously 90-120 days late on making payments and didn't pay for four months of approved work. In November of 2014, NEWD terminated CBI for cause claiming that CBI delayed the project. CBI's bonding company has determined, as CBI has, that this was a wrongful termination and has joined CBI in litigation for breach of contract originally set for hearing in October of 2016, but stayed when the Court mandated a Settlement Conference (set for September 23, 2016). Furthermore, since this was a project financed by State Bonds, the State of California, California Department of Water Resources and the Court has had serious questions about NEWD's actions in this case, and are shocked by the District's refusal to complete the project without litigation, especially since the project is completely funded by the State of California and is not costing the District anything to complete. We are ready and willing to complete the project, along with our subs, and the State of California has wanted us to complete the project. The only obstacle for completion has been the District themselves.

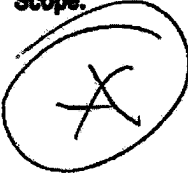
Lawrence Clark
Name and Title of Authorized Representative

8/23/17
Date

[Signature]
Signature of Authorized Representative

PROJECT: 22A WWT & Sprayfield Expansion
Contract Amount: \$5,124,157.02
Scope: Part 1
Demolition, clearing and grubbing of select existing site elements, preparation and implementation of Dust Control Plan and Storm Water Pollution Prevention Plan, grading and earthwork, installation of sprayfield mainlines, laterals, valves, and sprinklers; construction of runoff collection return system with automatic screen filter, concrete culverts, runoff containment berms, collection channels, collection structures, collection pump station, return pump station, and check valves; construction of 10-foot wide aggregate base rock access road, construction of chain link fencing and gates, protection of elderberry bushes and electrical work.
Part 2
Demolition and clearing of select existing site elements, earthwork, installation of vortex grit removal system equipment and placement of required concrete, relocation of piping at grit removal system, placement of asphalt concrete paving, repair and coating of concrete at headworks, temporary bypass of influent for headworks improvements, installation of brush aerator and clarifier equipment, placement of concrete for clarifier, construction of piping for clarifier, installation of new RAS pump, improvement of existing septage receiving station, construction of 6-inch gravity line to headworks, construction of sewer manholes, electrical work, and construction staking.

Owner: County of Madera, 200 W. 4th Street, Madera, CA 93637
Engineer: Eli McFarland: 559.675.7811

PROJECT: Planada WWTP Improvement
Contract Amount: \$6,751,083.57
Scope: 

The improvement project is intended to eliminate the current discharge of treated effluent to Miles Creek and construct treatment effluent storage and delivery infrastructure to reuse the effluent in the form of agricultural irrigation of non-human consumption crops. The project also provides rehabilitation of existing facilities.

- A. Construct a new headworks consisting of an auger screen mounted on a new concrete structure.
- B. Dredge, dewater and spread accumulated biosolids from inside existing treatment ponds.
- C. Reconstruct existing aerated and stabilization ponds and apply a gunite strip for erosion control.
- D. Reconstruct existing effluent lift station and outfall.
- E. Construct two new lined effluent storage ponds.
- F. Construct effluent disposal pipelines,
- G. Construct two Irrigation Tailwater Ponds, two Tailwater Pump Stations and one Turnout Pump Station.
- H. Construct Improvements to the Operations Building.
- I. Miscellaneous Site Improvements as shown in the drawings and as described in the technical specifications.

Owner: Planada Community Services District, 8597 E. Toews., LeGrand, CA 95333
General Manager: Daniel Chavez: 209.382.0213

CBI



Attachment A Disadvantaged Business Enterprise (DBE) Program DBE Subcontractor Participation Form

A Financial Assistance Agreement Recipient must require its prime contractors to provide this form to its DBE subcontractors. This form gives a DBE¹ subcontractor² the opportunity to describe work received and/or report any concerns regarding the funded project (e.g., in areas such as termination by prime contractor, late payments, etc.). The DBE subcontractor can, as an option, complete and submit this form to the DBE Coordinator at any time during the project period of performance.

Subcontractor Name		Project Name	
Bid / Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity	

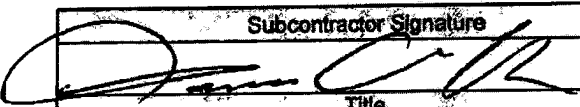
Contract Item Number	Description of Work Received from the Prime Contractor Involving Construction, Services, Equipment or Supplies	Amount Received by Prime Contractor

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.

CBI

Please use the space below to report any concerns regarding the above funded project:

Subcontractor Signature	Print Name
	Lawrence A. Clark
Title	Date
President	8/23/17

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.

Send completed Form 4500-2 to:
Mr. Joe Ochab, DBE Coordinator
US EPA, Region 9
75 Hawthorne Street
San Francisco, CA 94105

FORM 4500-2 (DBE Subcontractor Participation Form)



Attachment B
Disadvantaged Business Enterprise (DBE) Program
DBE Subcontractor Performance Form

This form is intended to capture the DBE¹ subcontractor's² description of work to be performed and the price of the work submitted to the prime contractor. A Financial Assistance Agreement Recipient must require its prime contractor to have its DBE subcontractors complete this form and include all completed forms in the prime contractor's bid or proposal package.

Subcontractor Name		Project Name	
Bid / Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity	


Contract Item Number	Description of Work Submitted from the Prime Contractor Involving Construction, Services, Equipment or Supplies	Price of Work Submitted to the Prime Contractor
DBE Certified By: <input type="checkbox"/> DOT <input type="checkbox"/> SBA Other: _____		Meets/exceeds EPA certification standards? YES NO Unknown

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.

CBI

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
	Lawrence A. Clark
Title	Date
Lawrence A. Clark	8/28/17

Subcontractor Signature	Print Name
Title	Date

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.

FORM 4500-3 (DBE Subcontractor Performance Form)

CBI



Attachment B

Disadvantaged Business Enterprise (DBE) Program

DBE Subcontractor Performance Form

This form is intended to capture the DBE¹ subcontractor's² description of work to be performed and the price of the work submitted to the prime contractor. A Financial Assistance Agreement Recipient must require its prime contractor to have its DBE subcontractors complete this form and include all completed forms in the prime contractor's bid or proposal package.

Subcontractor Name Simpson Sandblasting & Special Coatings, Inc		Project Name Arsenic Mitigation Project Water Treatment Facility	
Bid / Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact Bob Elam	
Address 14665 Rancho Vista Dr. Fontana Ca. 92335			
Telephone No. 909-829-0000		Email Address belam@simpsonsandblasting.com	
Prime Contractor Name		Issuing/Funding Entity	

Contract Item Number	Description of Work Submitted from the Prime Contractor Involving Construction, Services, Equipment or Supplies	Price of Work Submitted to the Prime Contractor
	Painting and special coatings	
DBE Certified By: <u>DOT</u> <u>SBA</u> <input checked="" type="checkbox"/> Other: <u>Southern California Minority Supplier</u> <input checked="" type="checkbox"/> <u>Development Council</u>		Meets/exceeds EPA certification standards? <input checked="" type="checkbox"/> YES NO Unknown


¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.

CBI

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

Subcontractor Signature	Print Name
	Bob Flam
Title	Date
Division Manager	8/23/17

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.

FORM 4500-3 (DBE Subcontractor Performance Form)

Revised 12/2016

2 of 3
CBI



Attachment B
Disadvantaged Business Enterprise (DBE) Program
DBE Subcontractor Performance Form

This form is intended to capture the DBE¹ subcontractor's² description of work to be performed and the price of the work submitted to the prime contractor. A Financial Assistance Agreement Recipient must require its prime contractor to have its DBE subcontractors complete this form and include all completed forms in the prime contractor's bid or proposal package.

Subcontractor Name MISSION CITY REBAR, INC.		Project Name	
Bid / Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address 542 McGraw Ave. Livermore, CA. 94551			
Telephone No. 925 449 6999		Email Address rebar@missioncityrebar.com	
Prime Contractor Name		Issuing/Funding Entity	

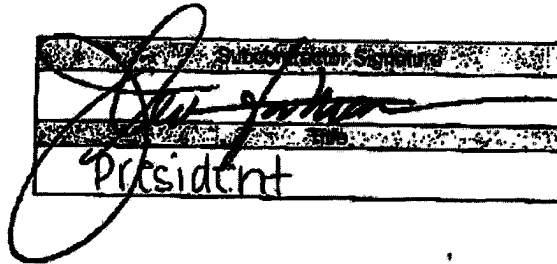
Contract Item Number	Description of Work Submitted from the Prime Contractor Involving Construction, Services, Equipment or Supplies	Price of Work Submitted to the Prime Contractor
DBE Certified By: <input type="checkbox"/> DOT <input type="checkbox"/> SBA <input checked="" type="checkbox"/> Other: <u>NA</u>		Meets/exceeds EPA certification standards? YES NO <input checked="" type="checkbox"/> Unknown

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.

3 of 3
CBI

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

	JOHN A GONZALES
President	8/24/17

* Please use with MCR EST # L017294

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.

FORM 4500-3 (DBE Subcontractor Performance Form)

Revised 12/2016



Attachment C Disadvantaged Business Enterprise (DBE) Program DBE Subcontractor Utilization Form

This form is intended to capture the prime contractor's actual and/or anticipated use of identified certified DBE¹ subcontractor's² and the estimated dollar amount of each subcontract. A Financial Assistance Agreement Recipient must require its prime contractors to complete this form and include it in the bid or proposal package. Prime contractors should also maintain a copy of this form on file.

Prime Contractor Name <i>Clark Bros. Inc.</i>		Project Name <i>Kayes Avenue Project</i>	
Bid / Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Issuing/Funding Entity			

I have identified potential DBE certified subcontractors. YES NO
 If yes, please complete the table below. If no, please explain:

Subcontractor Name/ Company Name	Company Address / Phone / Email	Estimated Dollar Amount	Currently DBE Certified?

-Continue on back if needed-

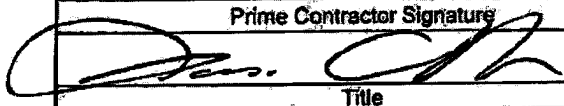
¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.



CBI

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
	Lawrence Cook
Title	Date
President	8/23/17

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.

FORM 4500-4 (DBE Subcontractor Utilization Form)

Revised 12/2016

SC-11 INSURANCE OF OWNER PROVIDED EQUIPMENT (OPE)

Contractor shall be responsible for the acceptance of delivery, storage, handling, installation, testing, start-up, training, commissioning and acceptance testing of the OPE. Contractor shall provide builder's risk insurance per Section 00700 Part 5.1.B.5 to insure the OPE for a minimum value of \$1,800,000 for the time period from acceptance of delivery to the final acceptance by the District.

SC-12 INCLEMENT WEATHER DELAYS

The Contractor understands and acknowledges the definition and conditions set forth in Section 01030; 3.2, B of the Contract Documents for "inclement weather" and associated scheduling requirements

SC-13 AUTHORITY AND RESPONSIBILITY FOR COORDINATION OF ACTIVITIES

The Owner has contracts with other contractors for work that is related to this project. Coordination and interfacing with other contractors and the work of other contractors is required as part of the Contractor's work and responsibilities. Said coordination includes, but is not limited to, meetings and regular communication with other contractors, layout and coordination of equipment and utility interfacing, assisting other contractors with locating equipment, notification of other contractors and Owner regarding work and schedules, etc. Delays or extra work resulting from lack of communication or coordination on the part of the Contractor or other contractors shall be at the sole expense of the Contractor. The Contractor acknowledges and agrees to comply with the coordination requirements with the other prime contractors associated with the other work as identified and detailed in Section 01110; 1.1, B of the Contract Documents. Other contractors have similar requirements as part of their work.

SC-14 PROTEST OF BIDS

Any Contractor wishing to obtain bid results must do so within three (3) days of the Bid Opening. Any Contractor wishing to protest the bid must do so within six (6) days of the Bid Opening.

(END OF SECTION)

00800 – Supplementary Conditions-4



300 Frank H. Ogawa Plaza, Suite 600, Oakland, CA, 94512
Main 1.510.457.0027 Fax 1.510.457.0037

September 20, 2017

Ernie Garza
General Manager
Keyes Community Services District
5601 7th Street
P.O. Box 699
Keyes, CA 95328

Jacobs Project No. W8X93700
Construction Support Services
Letter #002 (*sent via e-mail*)

**Subject: Arsenic Mitigation Project Water Treatment Facility (ATF)
Construction Bids and Award Recommendation**

Dear Mr. Garza:

Personnel from Keyes Community Services District (KCSD) and Jacobs opened bids for the KCSD Arsenic Mitigation Project Water Treatment Facility (ATF) on August 24, 2017. KCSD received five bids, ranging from \$11,772,000 to \$12,192,000. The second low bid was only \$13,000 higher than the low bid. The high bid was within 4% of the low bid. The range between the low bid and the high bid is unusually small, an indication of very competitive bids. A copy of the bid tabulation is attached. The low bidder is Clark Brothers, Inc. from Dos Palos, California.

Kate Kurey, from Kurey & Associates, reviewed the Good Faith Effort documentation for the low bidder. Although not all of the forms were filled out completely, it appears that Clark Brothers, Inc. complied with the intent of the Good Faith Effort requirements.

Jacobs reviewed the bid forms from Clark Brothers, Inc. and confirmed that their bid schedule was completed with no math errors. Jacobs identified the following issues with the bid submitted by Clark Brothers, Inc.

- Clark Brothers, Inc. indicated that they were terminated on a project for North Edwards Water District in November of 2014. This project was funded by State Water Bonds. Clark Brothers, Inc. is contesting the termination; however, the case has not been resolved. Jacobs contacted the California State Water Board regarding this issue. The State Water Board indicated that the termination on the previous project will not have an impact on award of the KCSD ATF project to Clark Brothers, Inc. or the SRF funding for the project.
- Clark Brothers, Inc. failed to completely fill in Form 4500-4, the Disadvantaged Business Enterprise (DBE) Subcontractor Utilization Form.
- Clark Brothers, Inc. provided a list of approximately 27 previous projects in lieu of listing three specific projects per the bid form. We've reviewed the list of projects and determined that Clark Brothers, Inc. has worked on complex, similar projects, although the Keyes ATF project is larger than their previous projects.

The Notice to Bidders states, "The District Board of Directors reserves the right to accept or reject any and all Bids, to waive any informality in a Bid, and to make award to the lowest responsive, responsible Bidder as it may best serve the interest of the District."

**Honorable Members
Of the KCSD Board**

Board Meeting of
September 26, 2017

**Discussion and Possible action to award the Construction
Contract for the Water Transmission & Distribution System
Improvements Project**

Possible Action to Award the Construction Contract for the Water Transmission & Distribution System Improvements Project

Recommendation:

That the Board of Directors approve awarding the contract for the Water Transmission & Distribution System Improvements project to Mozingo Construction, Inc., contingent upon State Water Resource Control Board approval.

Background:

Bids for the Water Transmission & Distribution System Improvements project were opened on September 12, 2017. A tabulation of the bids is attached to this report. The low bidder was Mozingo Construction, Inc. (Mozingo) in the amount of \$2,413,285.00. The Engineer's estimate for this project, including contingency, was \$2,349,330.60. The low bid is about 2.7% higher than the Engineer's estimate, including contingency. All bid documents submitted by Mozingo were filled out properly and the math computations were correct. Kate Kurey of Kurey & Associates reviewed the labor compliance documents submitted with the bid and found them to be acceptable. As of the date that this report was prepared (September 20, 2017) the State Water Resources Control Board (SWRCB) was still reviewing the labor compliance information submitted with Mozingo's bid. If the SWRCB has not completed their review by the time of the Board meeting the motion to award the contract can be made contingent upon the SWRCB's approval.

09/12/2017

Keys CSD: ATF Construction Phase Services
Water Transmission Distribution System Improvements

Item	Approx Qty	Unit	Description	Mozingo Construction, Inc. 171 Wakefield Court Oakdale, CA 95361			Roifs Construction Co. 3573 Southern Pacific Avenue Alhambra, CA 91801			A. Teichert & Son, Inc. DBA Teichert Constr. 400 Sunrise Ave. Ste 300 Roseville, CA 95881			Mountain Cascade, Inc. 855 Exchange Court Livermore, CA 94550			D.A. Wood Constr., Inc. 601 Albers Rd Modesto, CA 95357		
				Unit Price	Total \$	Unit Price	Total \$	Unit Price	Total \$	Unit Price	Total \$	Unit Price	Total \$	Unit Price	Total \$	Unit Price	Total \$	
1.	1	LS	Mobilization / Demobilization @	53489	\$ 53,489.00	73992	\$ 73,992.00	272310	\$ 272,310.00	100000	\$ 100,000.00	153621	\$ 153,621.00					
2.	1	LS	Demolition & Removal @	40000	\$ 40,000.00	33124	\$ 33,124.00	25000	\$ 25,000.00	80009	\$ 80,009.00	223146	\$ 223,146.00					
3.	1	LS	Shoring, Sheeting & Bracing @	35000	\$ 35,000.00	26312	\$ 26,312.00	35000	\$ 35,000.00	27000	\$ 27,000.00	82556	\$ 82,556.00					
4.	1	LS	Traffic Control @	36000	\$ 36,000.00	39760	\$ 39,760.00	125000	\$ 125,000.00	230000	\$ 230,000.00	268836	\$ 268,836.00					
5.	1	LS	Water Pollution Control @	24500	\$ 24,500.00	35140	\$ 35,140.00	4500	\$ 4,500.00	15000	\$ 15,000.00	37431	\$ 37,431.00					
6.	1	LS	Protecting of Existing Utilities @	36000	\$ 36,000.00	20560	\$ 20,560.00	150000	\$ 150,000.00	80000	\$ 80,000.00	55816	\$ 55,816.00					
7.	20	LF	4" Water Line @	70	\$ 1,400.00	184	\$ 3,680.00	125	\$ 2,500.00	100	\$ 2,000.00	57	\$ 1,140.00					
8.	400	LF	6" Water Line @	71	\$ 28,400.00	33.6	\$ 13,440.00	85	\$ 34,000.00	110	\$ 44,000.00	61	\$ 24,400.00					
9.	350	LF	8" Water Line @	74	\$ 25,900.00	58	\$ 20,300.00	90	\$ 31,500.00	140	\$ 49,000.00	67	\$ 23,450.00					
10.	1,791	LF	10" Water Line @	78	\$ 139,688.00	55	\$ 86,565.00	65	\$ 116,415.00	95	\$ 170,145.00	76	\$ 106,116.00					
11.	2,289	LF	12" Water Line @	80	\$ 183,120.00	62	\$ 141,918.00	80	\$ 183,120.00	97	\$ 222,033.00	83	\$ 189,987.00					
12.	7,438	LF	14" Water Line @	83	\$ 617,184.00	76.5	\$ 568,854.00	95	\$ 706,420.00	105	\$ 780,780.00	94	\$ 688,984.00					
13.	35	LF	20" O.D. Steel Casing with 10" Water Line @	1050	\$ 38,150.00	1090	\$ 38,150.00	1050	\$ 38,150.00	1400	\$ 49,000.00	1728	\$ 60,410.00					
14.	455	LF	28" O.D. Steel Casing with 14" Water Line @	925	\$ 420,975.00	837	\$ 380,835.00	725	\$ 329,875.00	800	\$ 364,000.00	919	\$ 418,146.00					
15.	1	EA	8" Tapping Sleeve & Valve @	3000	\$ 3,000.00	7714	\$ 7,714.00	6900	\$ 6,900.00	9000	\$ 9,000.00	6415	\$ 6,415.00					
16.	3	EA	10" x 8" Tapping Sleeve & Valve @	3500	\$ 10,500.00	3684	\$ 11,582.00	7200	\$ 21,600.00	8550	\$ 27,150.00	5688	\$ 17,064.00					
17.	1	EA	4" Gate Valve @	500	\$ 500.00	804	\$ 804.00	1050	\$ 1,050.00	1500	\$ 1,500.00	1227	\$ 1,227.00					
18.	14	EA	6" Gate Valve @	650	\$ 9,100.00	950	\$ 13,300.00	1323	\$ 18,550.00	1800	\$ 22,400.00	1291	\$ 18,074.00					
19.	10	EA	8" Gate Valve @	800	\$ 8,000.00	1032	\$ 13,020.00	1650	\$ 16,500.00	1900	\$ 19,000.00	1653	\$ 16,530.00					
20.	6	EA	10" Gate Valve @	1450	\$ 8,700.00	2012	\$ 12,072.00	2950	\$ 13,500.00	2900	\$ 15,000.00	2224	\$ 13,344.00					
21.	13	EA	12" Gate Valve @	1750	\$ 22,750.00	2350	\$ 30,450.00	2650	\$ 34,450.00	2800	\$ 36,400.00	2715	\$ 35,295.00					
22.	5	EA	Fire Hydrant @	5775	\$ 28,875.00	6457	\$ 42,285.00	6200	\$ 31,000.00	10000	\$ 50,000.00	6379	\$ 31,695.00					
23.	5	EA	Flushing Points @	5900	\$ 29,500.00	8733	\$ 43,665.00	6150	\$ 30,750.00	10000	\$ 50,000.00	5945	\$ 29,225.00					
24.	0	EA	3/4" Water Service @	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
25.	9	EA	1" Water Service @	1020	\$ 9,180.00	1687	\$ 15,183.00	1478	\$ 13,275.00	2500	\$ 22,500.00	1528	\$ 13,752.00					
26.	1	EA	1 1/2" Water Service @	1845	\$ 1,845.00	2904	\$ 2,904.00	2000	\$ 2,000.00	5000	\$ 5,000.00	2365	\$ 2,365.00					
27.	2	EA	2" Water Service @	2200	\$ 4,400.00	2438	\$ 4,816.00	2500	\$ 5,000.00	5100	\$ 10,200.00	3128	\$ 6,256.00					
28.	1	EA	4" Temporary Blow-off @	2700	\$ 2,700.00	4440	\$ 4,440.00	2500	\$ 2,500.00	500	\$ 500.00	1953	\$ 1,953.00					
29.	2	EA	6" Temporary Blow-off @	3950	\$ 7,900.00	7830	\$ 15,660.00	4000	\$ 8,000.00	600	\$ 1,200.00	9232	\$ 10,504.00					
30.	3	EA	8" Temporary Backflow Preventer @	7650	\$ 22,950.00	9583	\$ 28,889.00	11000	\$ 33,000.00	11000	\$ 33,000.00	7796	\$ 23,388.00					
31.	2	EA	8" Temporary Backflow Preventer @	10200	\$ 20,400.00	15147	\$ 30,294.00	13000	\$ 26,000.00	14000	\$ 28,000.00	13332	\$ 26,664.00					
32.	12	EA	Temporary Bacteriological Sample Points @	865	\$ 10,380.00	2284	\$ 27,168.00	1650	\$ 19,800.00	1200	\$ 14,400.00	1646	\$ 19,752.00					
33.	1	EA	Connect to Existing 12" Tee @	2500	\$ 2,500.00	4878	\$ 4,878.00	3250	\$ 3,250.00	5000	\$ 5,000.00	1275	\$ 1,275.00					
34.	1	EA	Connect to Existing 4" Water Line @	1750	\$ 1,750.00	4375	\$ 4,375.00	2350	\$ 2,350.00	2500	\$ 2,500.00	983	\$ 983.00					
35.	6	EA	Connect to Existing 6" Water Line @	2000	\$ 12,000.00	4438	\$ 26,616.00	2750	\$ 16,500.00	2600	\$ 15,600.00	1449	\$ 8,694.00					
36.	12	EA	Connect to Existing 8" Water Line @	2600	\$ 30,000.00	4512	\$ 54,144.00	4250	\$ 51,000.00	3000	\$ 36,000.00	1501	\$ 18,012.00					
37.	16	EA	Bollards @	650	\$ 10,400.00	1634	\$ 26,144.00	565	\$ 9,040.00	900	\$ 14,400.00	735	\$ 11,760.00					
38.	95	LF	6" Sewer Line @	39	\$ 3,705.00	48	\$ 4,560.00	75	\$ 7,125.00	100	\$ 9,500.00	65	\$ 6,175.00					
39.	490	LF	8" Sewer Line @	42	\$ 20,560.00	40	\$ 19,600.00	75	\$ 36,750.00	102	\$ 49,980.00	60	\$ 28,400.00					
40.	2	EA	Sewer Manholes @	3950	\$ 7,900.00	3900	\$ 7,800.00	4450	\$ 8,900.00	4000	\$ 8,000.00	3789	\$ 7,598.00					
41.	1	LS	Repair Existing PCC @	11900	\$ 11,900.00	48290	\$ 46,290.00	30000	\$ 30,000.00	24000	\$ 24,000.00	63910	\$ 63,910.00					
42.	12,200	LF	Trench Resurfacing @	28	\$ 341,800.00	397	\$ 484,340.00	13	\$ 158,600.00	46	\$ 561,200.00	95.5	\$ 1,165,100.00					
43.	126,000	SF	Slurry Seal @	0.35	\$ 44,100.00	0.75	\$ 84,500.00	0.53	\$ 66,790.00	0.33	\$ 41,980.00	0.9	\$ 113,000.00					
44.	8,900	LF	2" PVC Fiber Optic Cable Conduit (Installed with New Water Line)	3	\$ 26,700.00	3.8	\$ 33,920.00	3.75	\$ 33,375.00	8	\$ 71,200.00	5	\$ 44,500.00					
45.	550	LF	2" PVC Fiber Optic Cable Conduit (Not Installed with New Water Line)	17	\$ 9,350.00	15.3	\$ 8,415.00	22	\$ 12,100.00	125	\$ 68,750.00	19	\$ 10,650.00					
46.	22	EA	Contingencies	550	\$ 12,100.00	2184	\$ 47,608.00	1250	\$ 27,500.00	1800	\$ 39,600.00	3321	\$ 73,062.00					
	1	10%																
				TOTAL BID														

**Honorable Members
Of the KCSD Board**

**Items from GM
Board Meeting of
September 26, 2017**

Items from General Manager

A) Maintenance Staff Report

**District Engineer Staff Report
for the
September 26, 2017 Board Meeting
(Prepared 09-20-17)**

Arsenic Mitigation Project-

Progress on the Water Transmission and Distribution System Improvements Project and the Arsenic Water Treatment Facility Project will be reported on separately.

Black Water Engineering has reported that they will have the 75% submittal for the Consolidation Project ready to submit for agency review by October 6th. They are working with the three mobile home parks and the teen ranch to determine which existing onsite wells will be abandoned. Any wells to remain will be disconnected from the potable water supply.

Bonita Ranch Unit 6-

The contractor still has some street light related work to complete on this project.

Main Lift Station Replacement-

The electrical engineer should have his plans completed by the date of the Board meeting. We will then submit a conditional use permit application to the County of Stanislaus.

**Honorable Members
Of the KCSD Board**

**Staff Comments
Board Meeting of
September 26, 2017**

Staff Comments

A) Lee Fremming

**Honorable Members
Of the KCSD Board**

Director Comments
Board Meeting of
September 26, 2017

Director Comments

**Honorable Members
Of the KCSD Board**

Adjournment
Board Meeting of
September 26, 2017

Adjournment