



## CITY OF MILPITAS AGENDA REPORT (AR)

<b>Item Title:</b>	Approve and Award a Contract with Hoi's Construction, Inc. for the Water Bottle Refill Station Installation Project.
<b>Category:</b>	Consent Calendar-Community Services and Sustainable Infrastructure
<b>Meeting Date:</b>	8/13/2019
<b>Staff Contact:</b>	Tony Ndah, 408-586-2602
<b>Recommendation:</b>	<ol style="list-style-type: none"><li>1. Approve and award a construction contract with Hoi's Construction, Inc. for the Water Bottle Refill Station Installation Project, in the amount of \$178,000.00.</li><li>2. Authorize the Director of Public Works to execute contract change orders without any further City Council action except for appropriation of funds.</li></ol>

### **Background:**

In May 2008, Council adopted Resolution No. 7754 banning the purchase of bottled water for distribution at City functions and for resale to the public, and in May 2013, Council adopted the Climate Action Plan, which included goals to reduce waste generation in the community by 2020.

As part of the City's continued efforts to reduce plastic water bottle waste, the City of Milpitas has procured water bottle refill stations to replace existing drinking water fountains at City facilities and parks in an effort to reduce the footprint on the environment. This project is funded by the Water Conservation Program Capital Improvement Project (CIP No. 7126), which was approved by Council in June 2015. The City hopes to continue the success of the prior installations through the addition of 30 water bottle refill stations in high traffic facilities and parks throughout the City. The Water Bottle Refill Installation project meets the City Council's environmental source reduction goals and complies with the state mandated diversion goals by reducing the use of single-use plastic bottles. In addition to keeping single-use plastic water bottles out of our waterways, street gutters, and landfill, water bottle refill stations benefit public health and fitness and incentivizes the use of refillable water bottles by providing convenient locations to refill water bottles with safe, cold, filtered water.

The contractor awarded the contract for the Water Bottle Refill Station Installation Project ("Project") will be responsible for replacing the existing water fountains by installing thirty (30) new water bottle refill stations that have already been purchased by the City. The work consists of furnishing all labor, tools, materials, and equipment necessary for mobilization; removal of existing water fountains; installation and testing of thirteen (13) indoor Elkay water bottle refill stations and seventeen (17) outdoor Elkay water bottle refill stations; restoration of area of work to its preconstruction conditions; and disposal of existing units.

The proposed construction contract is for the installation of water bottle refill stations at the following City facilities and parks:

	<b>Location</b>	<b>Number of Units</b>
1.	Barbara Lee Senior Center	2
2.	City Hall	6
3.	Community Center	2
4.	Cardoza Park	4
5.	Dixon Landing Park	3
6.	Ed Levin County Dog Park	2

7.	Gill Memorial Park	2
8.	Hall Memorial Park	1
9.	Jones Memorial Park	1
10.	O'Toole Elms Park	1
11.	Pinewood Park	1
12.	Public Works Department	1
13	Robert E. Browne Park	1
14.	Sports Center	3

### **Analysis:**

The City's Purchasing Agent worked with Public Works staff to develop specifications for the Invitation for Bids (IFB) No. 2302 soliciting construction services for the Project. On February 15, 2019, the IFB was advertised on the City website and through PublicPurchase.com, the City's eProcurement system. In accordance with the informal bidding procedures under Section I-2-3.20 of the Milpitas Municipal Code and Public Contract Code Section 22034, the IFB was also sent to 327 registered contractors and the IFB was accessed by 39 vendors. Of the 39 vendors who accessed the IFB, 25 downloaded the bid documents. Bidding closed on March 20, 2019 with no bids received. As allowed under Section 22038(c) of the Public Contract Code, the City's Purchasing Agent went to the open market to have the work performed and negotiated with Hoi's Construction, Inc. to perform base bid work. The resulting contract is for the not to exceed amount of \$178,000.00, which is within the Project's budget and no additional budget appropriation is required.

### **Policy Alternatives:**

#### **Alternative 1: Direct the City staff to perform the Project with in-house resources.**

Pros: Increased work options for City staff.

Cons: City staff has limited resources in providing these services.

Reason not recommended: The City has already purchased the 30 water bottle refill stations and does not have the work force to perform the removal and installation work. By utilizing a construction contractor, all of the stations may be installed by the end of the calendar year.

### **Fiscal Impact:**

There are sufficient fund in Capital Improvement Project No. 7126 – Water Conservation Program to fund this Project.

### **California Environmental Quality Act:**

In accordance with the California Environmental Quality Act (CEQA), staff has determined that the project is exempt from further environmental review as a Class 1 Categorical Exemption under CEQA Guidelines § 15301 (a) and (e)(2), Existing Facilities.

### **Recommendation:**

1. Approve and Award a contract with Hoi's Construction, Inc. for the Project, in the amount of \$178,000.00.
2. Authorize the Director of Public Works to execute contract change orders on the Project without any further City Council action in an aggregate amount not to exceed \$17,800.

### **Attachments:**

1. Construction Contract with Hoi's Construction, Inc. for the Project