Metropolitan Domestic Water Improvement District Board of Directors Meeting

June 11, 2012

Approval of Miscellaneous Annual Services and Materials Quotes For the Utility Division Fiscal Year 2012-2013

Synopsis

The Board of Directors is being requested to approve bids for services and materials that are utilized by the Utility Division for maintenance and construction.

Background

As with all water utilities, the day-to-day operation of the Utility Division requires outside services and materials to perform maintenance and construction on the system. These items include barricade rental, chlorine purchases, aggregate purchases, and asphalt patching services, analytical services for coliform, and pump and motor repairs. All of these services and materials allow the Utility Division to perform the duties of delivering water to District customers.

The District has received annual quotes for such services and materials. While the single purchase cost of these services and materials typically do not exceed the \$15,000 amount required for Board approval, the cumulative total for some services may be over \$15,000 annually.

These services and materials are items the Utility Division uses on a frequent basis. By having the quotes valid for the entire fiscal year, the District saves time in not having to go out for formal quotes each time.

Issues

On May 1, 2012, the attached advertisement was placed in the Daily Territorial. The ad ran for four consecutive publications. In addition to the public notification in the paper, bid forms were sent to known vendors. As seen on the attached bid tabulations, vendors are asked for pricing on several related items. The low price may not be uniform for each vendor. The highlighted areas show the low price per item, per vendor under most circumstances. These are Utility Division's first choice, based on the prices and quality of services historically provided.

Although the low price has always been the most economically desirable for the District, it should be mentioned that decisions must also be based on vendors' performance, especially concerning timeliness. When service, quality or billing (inconsistent with quotes or extra charges) is in question, the District can exercise its option to use the next quote when justified.

Board of Directors Meeting June 11, 2012 Annual Services and Materials Page 2

Staff Recommendation

It is recommended that the Board of Directors approve the annual quotes for barricade rental, chlorine, aggregate, asphalt patching, analytical services for coliform, pump and motor repairs from the corresponding low bids per items as presented by staff. It is also recommended that the board direct staff to use another appropriate bidder for a particular service or material if performance or quality of a service of the low bidder does not meet the District's needs.

Suggested Motion

I move to approve the annual quotes for barricade rental, chlorine, aggregate, asphalt patching, pump and motor repairs, and analytical services for coliform from the corresponding low bids per items as presented by staff, and direct staff to use another appropriate bidder for a particular service or material if performance or quality of a service of the low bidder does not meet the District's needs.

Respectfully submitted,

Steven D. Shepard Utility Superintendent

I concur with the above-noted recommendation.

Respectfully submitted,

Mark R. Stratton, P.E. General Manager