

RESOLUTION NO. 3-13-2018

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MALAGA COUNTY WATER DISTRICT
ACCEPTING BID FOR WELL NO. 6 VARIABLE FREQUENCY DRIVE
CDBG PROJECT NO. 16451**

WHEREAS, the Invitation to Bid for the Well No. 6 Variable Frequency Drive (VFD) Project was advertised in the Fresno Business Journal on December 15, 2017; and

WHEREAS, the project will consist of installation of a variable frequency drive unit at Well No. 6 in the Community of Malaga; and

WHEREAS, the District is receiving funds from the Community Development Block Grant Program administered by the Community Development Division of the Department of Public Works and Planning of the County of Fresno; and

WHEREAS, the following bids for the project were publicly opened and read aloud at the Malaga County Water District Offices on January 18, 2018 at 2 pm:

| <u>Contractor</u> | <u>Bid</u> |
|------------------------------------|------------|
| 1. AC Electric, Fresno, CA | \$329,000 |
| 2. Strategic Mechanical | \$332,253 |
| 3. Telstar Industries, Hanford, CA | \$345,018 |

WHEREAS, the CDBG Engineer's estimate was \$181,000 for the Project; and

WHEREAS, on 23 January 2018 the District held a discussion with the CDBG Engineer that due to the bids being significantly higher than estimated, the CDBG engineer would meet with the low bidder AC Electric to discuss the reasons for the significant difference between the estimated and actual bids; and

WHEREAS, AC Electric was able to determine that ambiguities in the bid documents led to a higher bid in order to avoid under-bidding; and

WHEREAS, AC Electric, upon clarification of bid specifications was able to modify their bid to \$293,000; and

WHEREAS, modification of the original AC Electric bid from \$329,000 to \$293,000 will require approval of the Fresno County Department of Public Works and Planning by a deduction change order.

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of the Malaga County Water District, California, as follows:

1. The above recitals are true and correct and are adopted as the findings of the Board of Directors.

2. Upon the recommendation of the Project Engineer that the Well No. 6 VFD Project be awarded to AC Electric Company in the amount of Two Hundred Ninety-three Thousand Dollars (\$293,000), subject to approval by the Community Development Division of the Department of Public Works and Planning of the County of Fresno of a deductive change order for One Hundred One Thousand and Seventeen Dollars (\$101,017) to their original bid of Three Hundred Twenty-Nine Thousand Dollars (\$329,000).

3. The District agrees to, pending approval of the deductive change order reducing the bid to \$293,000 an obligation of \$43,000 to fund the project.

4. The District General Manager is hereby authorized to sign the Construction Agreement and other documents required for the project on behalf of the District.

This resolution was adopted at a Regular Meeting of the Board of Directors of the Malaga County Water District held on March 13, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Charles Garabedian, Jr., President

ATTEST:

James D. Anderson, Secretary of the Board