



Board Agenda Item 66

DATE: July 10, 2018

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Integrated Water Services, Inc. Request to Self-Perform Electrical Work for Contract 17-16-C

RECOMMENDED ACTION(S):

Approve request from Integrated Water Services, Inc. to self-perform electrical work for Contract 17-16-C, County Service Area 44 Zone D, Monte Verdi Wastewater Treatment Facility Improvements.

Approval of the recommended action will allow Integrated Water Services, Inc. (IWS) to self-perform electrical work for Contract 17-16-C. Pursuant to Public Contract Code, section 4104, IWS listed Prousys as the electrical subcontractor in their bid documents. Prousys has indicated that they cannot perform the work and IWS has requested to be allowed to self-perform the work, which requires your Board's approval. This item pertains to a location in District 5.

ALTERNATIVE ACTION(S):

There are no viable alternative actions. If the request to allow IWS to self-perform is not approved, IWS would have to find another subcontractor to perform the work, requiring your Board's approval and potentially delaying the project.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. The contracted amount of the project will not change. Any additional costs incurred by IWS for self-performing will be borne by them. Costs associated with the project will be funded by County Service Area 44 Zone D, Monte Verdi. Sufficient appropriations are included in the Department of Public Works and Planning Org 9247 FY 2017-18 Adopted Budget.

DISCUSSION:

On December 12, 2017, your Board conditionally awarded Contract No. 17-16-C, Monte Verdi Wastewater Treatment Facility Improvements, to IWS pending approval by the State Water Resources Control Board (SWRCB). Upon approval by the SWRCB, the conditions were met, so the contract was authorized.

Public Contract Code (PCC), section 4104 requires the prime contractor to submit with its bid a list of its subcontractors whose work on the project constitutes more than one-half of one percent of the prime contractor's total bid. When IWS submitted their bid proposal, they listed Prousys as a subcontractor to perform the electrical work on the project.

Subsequently, Prousys indicated that they could not bond for the project and that their workload precluded them from performing the work, therefore requesting that IWS remove them from consideration for the project.

In lieu of substituting another subcontractor, IWS has opted to self-perform the work in effect; IWS is substituting itself for the subcontractor. In accordance with PCC, section 4107, a letter was sent to Prousys indicating that they had five working days to file an objection to the proposed substitution. No response was received within the time allotted, which, by statute, constitutes the subcontractor's consent to the substitution.

Based on the above, the Department recommends that your Board approve IWS self-performing the electrical work on Contract 17-16-C. There is no penalty associated with the substitution when approved pursuant to the provisions of PCC, section 4107(a).

REFERENCE MATERIAL:

BAI #41, December 12, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

Prousys Withdrawal Request Letter
Prousys Substitution Consent Letter

CAO ANALYST:

Sonia M. De La Rosa