



## MEMORANDUM

**TO: CITY COUNCIL**

**FROM: GEOFF ENGLISH, DIRECTOR OF PUBLIC WORKS**

**BY: SHANE TAYLOR, PUBLIC WORKS SUPERVISOR – UTILITIES**

**SUBJECT: CONSIDERATION OF APPROVING A ONE-YEAR EXTENSION TO THE CONTRACT WITH WATERBOYS PLUMBING, INC. FOR THE PLUMBING RETROFIT PROGRAM**

**DATE: FEBRUARY 24, 2015**

### RECOMMENDATION:

It is recommended the City Council

1. Approve a one-year extension to the contract with Waterboys Plumbing, Inc. in the amount of \$72,935.00;
2. Authorize the Mayor to execute the first amendment to the contract.

### IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

A total of \$68,000 is allocated in the FY 2014/15 Budget in Water Neutralization Contractual Services (Account 226-4306-5303), which includes funds for the continuation of the Plumbing Retrofit Program. Additional funds will be included in the FY 2015/16 budget to cover the costs of the contract. The program will continue to be administered by the Public Works Department. Approximately 200 hours per year are required to continue the program.

### BACKGROUND:

The City Council adopted a Water Conservation Program on May 13, 2003. Phase I of the program began in April of 2004 and was focused on retrofitting existing residential plumbing with low flow fixtures. Over the last 10-1/2 years, a total of 1,922 single family homes, 5,300 apartment units, 224 mobile homes, 155 motel units, 8 church facilities, and 150 commercial establishments have been retrofitted under the program. A total of 4,673 toilets, 3,985 faucet aerators, 1,769 showerheads, and 399 pressure regulators were installed. The total cost to date for Phase I is \$1,219,467.

In 2005, the City adopted the Mandatory Retrofit Upon Change of Ownership of Real Property Ordinance. A total of 1,055 properties have been issued Water Conservation Certificates indicating that these residences comply with the Ordinance. An estimated 177-acre feet of water per year has been conserved due to the retrofit program.

## **CITY COUNCIL**

### **CONSIDERATION OF APPROVING A ONE-YEAR EXTENSION TO THE CONTRACT WITH WATERBOYS PLUMBING, INC. FOR THE PLUMBING RETROFIT PROGRAM**

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On February 26, 2014, Waterboys Plumbing, Inc. was awarded a one year contract, which included options for two, one year extensions. This is the first contract extension request. Waterboys Plumbing, Inc. has performed to a satisfactory level and the City has received many favorable comments regarding the quality of workmanship and level of service.

#### **ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

- 1) Approve staff's recommendation for a one-year extension to the contract with Waterboys Plumbing, Inc.;
- 2) Do not approve staff's recommendation to approve the one-year contract extension; or
- 3) Provide direction to staff.

#### **ANALYSIS OF ISSUES:**

In 2004, the program targeted 4,357 single family homes and 44 apartment complexes. After 10-1/2 years, 44% of the homes and 91% of the apartment complexes in the City have been retrofitted. In addition, the program was expanded to include mobile homes and commercial properties. A total of 51% of last year's contract amount was expended. Retrofitting indoor plumbing has proven to be a very reliable and consistent water conservation measure. The per capita consumption for 2014 was 144 gallons per day per person compared to 165 gallons per day per person in 2013. Phase II programs have also helped conserve water with washing machine rebates, cash for grass, and large landscape audits.

#### **ADVANTAGES:**

Every property retrofitted conserves approximately 10,000 gallons of water per year. Qualified property owners may still take advantage of the program and receive free retrofitting to comply with the Mandatory Retrofit Upon Change of Ownership of Real Property Ordinance.

#### **DISADVANTAGES:**

Extending the contract will deplete funds available for Phase II of the Water Conservation Program by up to \$72,935.00.

#### **ENVIRONMENTAL REVIEW:**

No environmental review is required for this item.

#### **PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted in front of City Hall on Thursday, February 19, 2015. The Agenda and staff report were posted on the City's website on Friday, February 20, 2015.

**CITY COUNCIL  
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Attachments:

1. Letter from Waterboys Plumbing, Inc.

**FIRST AMENDMENT TO CONTRACT FOR  
CITY OF ARROYO GRANDE PLUMBING RETROFIT PROGRAM**

This **FIRST AMENDMENT TO CONTRACTOR SERVICES AGREEMENT** ("First Amendment") is made and entered into this 24<sup>th</sup> day of February, 2015, by and between the **CITY OF ARROYO GRANDE**, a California Municipal Corporation ("City"), and **WATERBOYS PLUMBING INC.**, a California Corporation with ("Contractor"). The City and Contractor are sometimes referred to herein as the "Parties".

**WHEREAS**, on February 26, 2014, the City and Contractor entered into a Contract for the City of Arroyo Grande's Plumbing Retrofit Program ("Contract") wherein Contractor agreed to provide City with plumbing services subject to the terms and conditions set forth in the Contract. A true and correct copy of the Contract is on file with the Administrative Services Department; and

**WHEREAS**, the Contract includes two (2) one (1) year options to extend; and

**WHEREAS**, on February 12, 2015, the City received a request from Contractor to extend the Contract for one (1) additional year; and

**WHEREAS**, by this First Amendment, the Parties wish to amend the Contract to extend the term for one (1) year.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. The above recitals are true and correct and are incorporated herein by this reference.
2. Article 1 of the Contract shall be amended in its entirety as follows:

**ARTICLE I.** For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by City, Contractor agrees with City to furnish all materials, equipment and labor and construct facilities for City, and to perform and complete in a good and workmanlike manner all the work pertaining thereto shown on the plans and described in the specifications hereto attached, and to furnish at his own proper cost and expense all tools, equipment, labor, and materials necessary therefore, except such materials as in the said specifications are stipulated to be furnished by City, and to do everything required by this Contract and the said specifications and plans, and the requirements of the Engineer under them, to wit:

**CONTRACT SCHEDULE OF COSTS**

| <b>ITEM NO.</b>             | <b>QTY</b> | <b>UNIT</b> | <b>DESCRIPTION</b>                                    | <b>UNIT PRICE</b> | <b>AMOUNT</b>      |
|-----------------------------|------------|-------------|-------------------------------------------------------|-------------------|--------------------|
| 1                           | 200        | EA          | 1.28 gpm Flush Toilet – 12" Rough                     | \$235.00          | \$47,000.00        |
| 2                           | 50         | EA          | 1.28 gpm Flush Toilet – 10" Rough                     | \$290.00          | \$14,500.00        |
| 3                           | 250        | EA          | Toilet Seat and Cover                                 | \$15.00           | \$3,750.00         |
| 4                           | 200        | EA          | 2.2 gpm Faucet Aerator                                | \$5.00            | \$1,000.00         |
| 5                           | 50         | EA          | 2.5 gpm Shower Head                                   | \$13.00           | \$650.00           |
| 6                           | 125        | EA          | Water Pressure Determination                          | \$10.00           | \$1,250.00         |
| 7                           | 10         | EA          | Adjust Existing Water Pressure Regulating Valve       | \$5.00            | \$50.00            |
| 8                           | 15         | EA          | Replace Existing 3/4" Water Pressure Regulating Valve | \$1.00            | \$15.00            |
| 9                           | 10         | EA          | Replace Existing 1" Water Pressure Regulating Valve   | \$2.00            | \$20.00            |
| 10                          | 20         | EA          | Install New 3/4" Water Pressure Regulating Valve      | \$100.00          | \$2,000.00         |
| 11                          | 20         | EA          | Install New 1" Water Pressure Regulating Valve        | \$135.00          | \$2,700.00         |
| <b>TOTAL CONTRACT PRICE</b> |            |             |                                                       |                   | <b>\$72,935.00</b> |

3. The Parties agree to extend the contract for one (1) year, from February 24, 2015 to February 23, 2016, pursuant to paragraph D of Section II of the Special Provisions. There shall be one (1) additional option to extend the contract for a one (1) year period.
  
4. Except as modified herein, all other terms and conditions of the Contract shall remain in full force and effect.

**IN WITNESS WHEREOF**, this First Amendment has been duly executed as of the date first set forth above.

CITY OF ARROYO GRANDE

WATERBOYS PLUMBING, INC.

\_\_\_\_\_  
Bob McFall, Interim City Manager

By: \_\_\_\_\_  
Thomas Potter, Owner

ATTEST:

\_\_\_\_\_  
Kelly Wetmore, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Timothy J. Carmel, City Attorney

WATERBOYS PLUMBING, INC.

416 Bedloe Lane  
Arroyo Grande, Ca. 93420  
Phone 805 481 9583 Fax: 805 474 6891  
Ca. Lic. #. 928834

February 12, 2015

TO: City of Arroyo Grande  
FROM: Thomas Potter  
Waterboys Plumbing, Inc.

RE: CITY OF ARROYO GRANDE TOILET RETROFIT PROGRAM

Waterboys Plumbing would like to request an extension to our contract which is due to expire at the end of February. It is important to note we are not asking for a change in the pricing/costs of the contract, only that it be extended.

We have experience with the program and after doing it for so long we have good knowledge of what locations are left to be done. The program runs smoothly and we have built up a good working relationship with the City management and administrators.

There are still a number of properties out there to be retrofitted and if given the extension we will continue to provide quality work and service to the residents of Arroyo Grande, and do our best to help locate places still not retrofitted.

We are committed to trying to do as much retrofit work as possible to help with the water shortage/drought conditions. Our knowledge in this field is extensive after years of working with the different cities in the State.

Thank you for your consideration

Tommy Potter  
Waterboys Plumbing, Inc.

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