

EXECUTIVE SUMMARY

Recommendation of \$500,000 or Less 18-095R - Concrete Cutting & Core Drilling Services

This request is to approve the recommendation to award Request for Proposal (RFP) 18-095R - Concrete Cutting & Core Drilling Services for a three (3) year contract from December 6, 2017 through September 30, 2020. The Concrete Cutting & Core Drilling Services contract is utilized by Physical Plant Operations (PPO) for cutting, drilling, and breaking concrete.

The solicitation for this RFP ran from August 28, 2017 through September 29, 2017. The bid was awarded to the most qualified vendor who met all specifications, terms, and conditions of the bid, American Concrete & Drilling Company (ACDC). For this RFP, Procurement & Warehousing Services (PWS) conducted negotiations with ACDC. PWS successfully negotiated cost reductions for the Supervisor Hourly Rate.

Overall, due to new regulations and compliance laws, prices have increased. Compliance with new Occupational Safety and Health Administration (OSHA) Regulations. OSHA has significantly reduced the amount of allowable respirable silica while cutting, grinding, & drilling concrete. The new regulations require personnel as well as others in the work area to protect themselves.

Below are some of the new regulations:

- a. If using a hand saw, or slab saw indoors at any time; all personnel on the job site are required to wear a respirator that conforms to APF 10. Some examples are certain dust masks or half-mask respirators with P100 cartridges. Depending on fitment, some operators will need to wear full mask respirators.
- b. If hand sawing or slab sawing for more than four (4) hours outdoors; all personnel on the job site are required to wear a respirator as outlined above.
- c. Medical exams & lung function tests are required every three (3) years.
- d. Job site owners (in this case the District) may be required to monitor air quality in order to maintain the new stricter standards.
- e. The monitoring of air quality will require ACDC to invest and maintain new equipment such as vacuums with HEPA filtration systems with semi-automatic filter cleaning systems for common tasks such as drilling anchor bolts for core drill rigs, running chipping hammers, and using hand grinders. This equipment is on average six (6) times more costly.

Financial Impact

Comparing the prices that the District received with RFP 18-095R, to the prices received three (3) years ago, prices have increased approximately eleven (11) percent. The total spending authority requested is \$260,000 as demonstrated in the breakdown below:

(historical average monthly expenditures)	\$	5,870
<u>(number of months)</u>		<u>36</u>
(estimated forecasted spend)	\$	211,317
<u>(eleven (11) percent price increase from previous bid)</u>	\$	<u>23,244</u>
(estimated spend + price increase)	\$	234,561
<u>(ten (10) percent provision)</u>	\$	<u>23,456</u>
<u>(total spend authority (rounded))</u>	\$	<u>260,000</u>