

REPORT TO THE CITY COUNCIL

July 20, 2017

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Department of Public Utilities

THROUGH: JERRY L. SCHUBER, SR., Assistant Director
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SUBJECT

..Title

Reject sole bid received for the Fresno Sanitary Landfill Phase 3 Groundwater Remedial Design/Remedial Action Operable Unit 2 (Bid File No. 3546) (Council District 3)

..Body

RECOMMENDATION

Staff recommends that the City Council reject sole bid received for the Fresno Sanitary Landfill Phase 3 Groundwater Remedial Design/Remedial Action Operable Unit 2.

EXECUTIVE SUMMARY

The Public Works Department is seeking to reject sole bid received for the Fresno Sanitary Landfill Phase 3 Groundwater Remedial Design/Remedial Action Operable Unit 2. The sole bid was 32.5% above Budget Allocation and it was deemed excessive after professional evaluation.

BACKGROUND

In June 1998, the City of Fresno entered into an agreement with the United States Environmental Protection Agency (US EPA) to conduct the final cleanup of the Fresno Sanitary Landfill (FSL). The 1996 US EPA Record of Decision (ROD) for the FSL stated that the objective of the Groundwater Remedial Action (RA) was to “*restore the aquifer to beneficial use in a timely and cost-effective manner.*” The aquifer impacted by historical operations of the FSL is considered restored when levels of contaminants present in groundwater comply with regulatory standards at or below maximum contaminant levels (MCLs) for volatile organic compounds. The Groundwater RA was planned for implementation in three phases, with objectives associated with each phase of remediation. Phase 3 is the final phase of the Groundwater RA and consists of installation and operation of additional groundwater extraction and monitoring wells at the FSL to complete restoration of the aquifer to beneficial use.

On April 17, 2017, the FSL Phase 3 Groundwater Remedial Design/Remedial Action Operable Unit 2 went out for advertisement via Bids-On-Line. Ten Building Exchanges received notices inviting bids. There were 51 specifications distributed to prospective bidders.

On May 16, 2017, bids were opened and only one proposal was received for the amount of \$2,362,090, which exceeded the engineer estimated amount of \$1,782,945 or 32.5%. The budget allocation for this project is \$1,800,000. Bids will expire on June 19, 2017.

ENVIRONMENTAL FINDINGS

For purpose of the California Environmental Quality Act (CEQA), the rejection of a bid is not a "project" under the CEQA Guidelines section 15378.

LOCAL PREFERENCE

Local preference was not considered because the rejection of all bids does not include a bid or award of a construction or services contract.

FISCAL IMPACT

The rejection of all bids will result in no financial impact to the Sewer Enterprise Fund or the General Fund

Attachment:

Evaluation of Bid Proposal for FSL Phase 3 – Bid File No. 3546