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Title: Award a requirements contract in the amount of \$571,371 to Calgon Carbon Corporation, for delivery, installation, removal and destruction or regeneration of Granular Activated Carbon- Bid File 9404 (Citywide)

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. 9404BidEval.pdf, 2. Sample Contract BF 9404.pdf

Date	Ver.	Action By	Action	Result
12/7/2017	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

December 7, 2017

FROM: THOMAS C. ESQUEDA, Director
Department of Public Utilities

THROUGH: BUD TICKEL, Division Manager
Department of Public Utilities, Water Division

BY: ROBERT LITTLE, Water System Supervisor-Water Quality
Department of Public Utilities - Water Division

SUBJECT

Award a requirements contract in the amount of \$571,371 to Calgon Carbon Corporation, for delivery, installation, removal and destruction or regeneration of Granular Activated Carbon- Bid File 9404 (Citywide)

RECOMMENDATION

Staff recommends that City Council award a requirements contract in the amount of \$571,371 to Calgon Carbon Corporation, for delivery, installation, removal and destruction or regeneration of granular activated carbon (GAC) and authorize the Director of Public Utilities to execute a one-year contract with provisions for two one-year extensions.

EXECUTIVE SUMMARY

The Department of Public Utilities - Water Division (Division) routinely uses GAC for treatment of drinking water wells and the Surface Water Treatment Facilities (SWFT). By executing a requirements contract with one supplier, it establishes a firm price for a specified time allowing the City to make purchases as needed. This contract is secured through the competitive bidding process.

GAC Treatment is necessary in order for affected wells to remain in compliance with drinking water standards, and funding for this contract is included in the FY2018 Water Enterprise Fund operating budget. Staff recommends award of a requirements contract to Calgon Carbon Corporation of Pittsburgh, Pennsylvania for these services in the amount of \$571,371.00.

BACKGROUND

The Division operates 23 treatment sites, which treats 25 wells contaminated with pesticides. In addition, there are 12 current GAC treatment sites and 26 non-treatment sites impacted with 1,2,3-TCP which could require either additional GAC vessel on existing sites or construction of new GAC treatment at non-treatment sites. Hence, the Division uses GAC in the treatment of drinking water at well sites and the SWTF. The SWTF currently treat up to 40 million gallons of water daily. The majority of the contaminated wells are in the Southeast area of Fresno, and the operation is critical to meeting the water demand in that area. A requirement contract establishes firm pricing, secured through competitive bidding, for a specific time and allows the City to purchase GAC as needed.

A Notice Inviting Bids was published on August 9, 2017. Ten Building Exchanges were faxed Notice Inviting Bids, and 36 specifications were distributed to prospective bidders. The bid opening was August 29, 2017, bids expired on November 27, 2017, and were extended. The lowest responsive and responsible bidder was Calgon Carbon, which submitted a bid in the amount of \$975,065.64. The specifications required bidders to include pricing for several options, allowing the City to choose the best method of delivery and installation to the treatment sites. Not every option will be used, and the dollar value of the awarded contract will be less than the lowest bidder's bid.

It is recommended that a contract in the amount of \$571.371.00 be awarded to Calgon Carbon Corporation of Pittsburgh, Pennsylvania based on the FY 2018 budget amount.

ENVIRONMENTAL FINDINGS

The award of this requirements contract does not qualify as a project pursuant to the California Environmental Quality Act Guidelines Section 15378.

LOCAL PREFERENCE

Local preference was not applied because none of the bidders qualify as a local business according to the Fresno Municipal Code Section 4-108.

FISCAL IMPACT

The General Fund is not impacted by this citywide expenditure, as the appropriations for GAC are

included within the FY2018 Water Enterprise Fund operating budget.

Attachments:

Bid Evaluation

Sample Contract