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**Title:** Award a contract to Todd Companies in the amount of \$522,000 to construct well head treatment improvements at Pump Station 171-2 (PS 171-2).

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**REPORT TO THE CITY COUNCIL**

**November 5, 2015**

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

**THROUGH:** MICHAEL CARBAJAL, Division Manager  
Department of Public Utilities - Water Division

**BY:** LITO G. BUCU, Supervising Engineering Technician  
Department of Public Utilities - Water Division

**SUBJECT**

Award a contract to Todd Companies in the amount of \$522,000 to construct well head treatment improvements at Pump Station 171-2 (PS 171-2).

**RECOMMENDATIONS**

Staff recommends that the City Council award a contract in the amount of \$522,000 to Todd Companies to construct well head treatment improvements at PS 171-2; and authorize the Director of Public Utilities or their designee to sign all documents on behalf of the City of Fresno.

**EXECUTIVE SUMMARY**

The Department of Public Utilities, Water Division, solicited Contractor services to construct well head treatment improvements at PS 171-2. Todd Companies was found to be the lowest responsive and responsible bidder with a bid in the amount of \$522,000. This project will construct improvements needed for a well head treatment system that will allow the Water Division to return the well to service.

## **BACKGROUND**

PS 171-2, located in northwest Fresno, has a pumping capacity of approximately 1,750 gallons per minute. As the result of routine regulatory water sampling requirements, it was found that the groundwater pumped from PS 171-2 contained the pesticide Dibromochloropropane (DBCP) at concentrations that exceed the maximum contaminant level (MCL) permitted by the California State Department of Public Health. As a result, PS 171-2 was removed from service on February 3, 2010.

The contaminant DBCP has been well documented to exist in vast portions of the City. In 1995 the City settled a lawsuit with the responsible parties and receives significant reimbursement for the construction of wellhead treatment facilities required to clean the impacted water. The construction cost of the treatment facility is largely reimbursed to the City upon project completion.

PS 171-2 is a critical well needed to support the surrounding area and requires the construction of a treatment system in order to re-establish system reliability and service levels.

The Water Division solicited Contractor services through the bidding process. A notice inviting bids was published in the Business Journal and posted on the City of Fresno website on August 5, 2015. Project plans and specifications were distributed to thirteen prospective bidders. Seven sealed bid proposals were received and unsealed in a public opening on September 15, 2015. Todd Companies submitted a bid price in the amount of \$522,000 and is the lowest responsive and responsible bidder. The Staff Determination of Award was posted on the City of Fresno website on October 1, 2015. The price submitted is 3.8% below the Engineer's Estimate of \$542,800.

## **ENVIRONMENTAL FINDINGS**

A Mitigated Negative Declaration (MND) EA No. C-10-148 was adopted by the Council on September 3, 2010, for this Project. An analysis has been performed pursuant to CEQA Guidelines §15162 to determine whether subsequent environmental review is required for the Project. Based on this analysis the following findings are made to support the determination that no subsequent environmental review is required:

1. No substantial changes are proposed in the Project which will require major revisions of the previous MND due to the involvement of new significant environmental effects, or a substantial increase in the severity of previously identified significant effects.
2. No substantial changes occur with respect to the circumstances under which the Project is undertaken which will require major revisions of the previous MND due to the involvement of new significant environmental effects, or a substantial increase in the severity of previously identified significant effects.

3. There is no new information which was not known or could not have been known at the time of the previous MND that the Project will have significant effects not discussed in the MND.

Furthermore, since a MND was previously adopted for this Project, the considerations set forth in CEQA Guidelines §15162(a)(3)(C) and (D), related to the adequacy and feasibility of previously adopted mitigation measures, are not applicable. Based upon these findings, it has been determined that no further environmental documentation is required for this Project.

### **LOCAL PREFERENCE**

Local Preference was not implemented because the lowest bid by a local business exceeded the allowable preference of \$25,000.

### **FISCAL IMPACT**

The project, which is located in Council District 1, will not have any impact to the General Fund. Funds for the this project are included in Water Division's FY 2016 Capital Improvement Program budget within the DBCP Recovery Fund (40110). The construction of a well head treatment facility was included in the water rate model used to create the five-year utility rate plan and subsequently adopted by City Council on February 26, 2015. No additional funding is required for this project.

Attachments:

Evaluation of Bid Proposals

Fiscal Impact Statement