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Title: Award a Construction Contract to Steve Dovali Construction, Inc. in the amount of \$370,763 for construction of well site improvements at Pump Station 51A, located at 2421 E Sussex Way (Bid File 3693) (Council District 7)

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Attachment 1 - Evaluation of Bids.pdf, 2. Attachment 2 - Fiscal Impact Statement.pdf, 3. Attachment 3 - Sample Contract.pdf, 4. Attachment 4 - Environmental Assessment.pdf

Date	Ver.	Action By	Action	Result
6/11/2020	1	City Council	approved	

REPORT TO THE CITY COUNCIL

June 11, 2020

FROM: MICHAEL CARBAJAL, Director
Department of Public Utilities

THROUGH: BROCK D. BUCHE, PE, PLS, Assistant Director - UP&E
Department of Public Utilities - Utilities Planning & Engineering

BY: ANITA LUERA, Supervising Engineering Technician
Department of Public Utilities - Utilities Planning & Engineering

SUBJECT

Award a Construction Contract to Steve Dovali Construction, Inc. in the amount of \$370,763 for construction of well site improvements at Pump Station 51A, located at 2421 E Sussex Way (Bid File 3693) (Council District 7)

RECOMMENDATIONS

Staff recommends City Council award a construction contract in the amount of \$370,763 to Steve Dovali Construction, Inc. (Dovali) for construction of well site improvements at Pump Station 51A (PS 51A) (Project); and authorize the Director of Public Utilities, or designee, to sign all documents on behalf of the City of Fresno (City).

EXECUTIVE SUMMARY

The Department of Public Utilities, Water Division solicited contractor services to construct well site improvements at PS 51A. Dovali was found to be the lowest responsive and responsible bidder with a bid in the amount of \$370,763. The well site improvements are necessary to provide a complete and operational municipal water well. Once operational, PS 51A will ensure appropriate levels of service are maintained in the surrounding area.

BACKGROUND

The Department of Public Utilities, Water Division, maintains a network of more than 260 municipal water supply wells. The construction of new wells for this network is required to replace wells that have reached the end of their useful life, or to assist in remediating water quality issues. The new PS 51A is necessary to offset water production losses resulting from both recent and future destruction of multiple outdated wells in the area.

The property for this project was previously acquired and a new water supply well was recently constructed onsite. Well site improvements are required to complete the pump station and bring the existing well to an operational state. Site improvements will comply with the requirements of the associated Development Permit.

The Department of Public Utilities, Water Division, solicited contractor services for construction of the required well site improvements through the bidding process. A notice inviting bids was published in the Business Journal and posted on the City's website on March 23, 2020. Project plans and specifications were distributed to 22 prospective bidders and 10 Building Exchanges. Three bid proposals were received and revealed in a public opening on April 28, 2020.

Dovali submitted a bid price in the amount of \$370,763 and is the lowest responsive and responsible bidder. The Staff Determination of Award was posted on the City of Fresno website on May 20, 2020. The price submitted is 11.7% below the Engineer's Estimate of \$420,000.

ENVIRONMENTAL FINDINGS

An Initial Study and Mitigated Negative Declaration dated June 12, 2015 was adopted for CUP No. C-14-159. C-14-159 contemplated several actions necessary to complete Water Well Pump Station No. 51A, including the following: acquisition of a vacant parcel, construction of the water supply well, site improvements, and installation of water treatment systems. This approval is to implement a portion of the overall project. Specifically, this approval is to implement the construction of site improvements.

An analysis has been performed pursuant to CEQA guidelines section 15162 to determine whether subsequent environmental review is required. Based upon 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 MND due to the involvement of new significant effects or a substantial increase in the severity of previously identified significant effects. In this case there are no changes to the project.

2. No substantial changes have occurred with respect to the circumstances under which the project was undertaken which will require major revision of the previous MND due to the involvement of new significant environmental effect or a substantial increase in the severity of previously identified significant effects. In this case the circumstances of the site and project area have not changed significantly, and this approval is merely the next step in implementing the project.
3. There is no new information which was not known and could not have been known at the time the previous MND was adopted that was not discussed in the previous MND.

Based upon these findings, it has been determined that no further environmental assessment is required for this approval.

LOCAL PREFERENCE

Local preference did not affect this Construction Contract. The lowest responsive and responsible bidder is a local business pursuant to Fresno Municipal Code Section 4-109(b).

FISCAL IMPACT

There is no impact to the General Fund. This Project is located in Council District 7. Funds for the construction of PS 51A are included in Water Division's Fiscal Year 2020 Capital Improvement Program budget within the Water Enterprise Fund. The construction of replacement water wells 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. The total contracted price for this work is \$370,763. No additional funding is required for this Project.

Attachments:

- Attachment 1 - Evaluation of Bid Proposals
- Attachment 2 - Fiscal Impact Statement
- Attachment 3 - Sample Contract
- Attachment 4 - Environmental Assessment