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Title: Actions pertaining to Lift Station 1, 13, and 14 Improvements at East Jensen Avenue, North Jackson Avenue and West Alluvial Avenue (Bid File 3717) (Council Districts 2, 3 and County of Fresno):
 1. Adopt a finding of Categorical Exemption pursuant to Class 1, Section 15301 (b) and (d) (Existing Facilities) of the California Environmental Quality Act Guidelines
 2. Award a construction contract to HPS Mechanical., Inc., in the amount of \$1,317,391.69

Sponsors: Department of Public Utilities

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Attachments: 1. Attachment 1 – Bid Evaluation and Fiscal Impact Statement - BF3717.pdf, 2. Attachment 2 - Sample Contract.pdf, 3. Attachment 3 - Vicinity Map.pdf

Date	Ver.	Action By	Action	Result
6/25/2020	1	City Council	approved	

REPORT TO THE CITY COUNCIL

June 25, 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

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SUBJECT

Actions pertaining to Lift Station 1, 13, and 14 Improvements at East Jensen Avenue, North Jackson Avenue and West Alluvial Avenue (Bid File 3717) (Council Districts 2, 3 and County of Fresno):

1. Adopt a finding of Categorical Exemption pursuant to Class 1, Section 15301 (b) and (d) (Existing Facilities) of the California Environmental Quality Act Guidelines
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RECOMMENDATIONS

Staff recommends that City Council adopt a finding of Categorical Exemption pursuant to Class 1,

Section 15301 (b) and (d) (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines for Lift Station 1, 13, and 14 Improvements at East Jensen and Walnut Avenues, North Jackson and University Avenues, and West Alluvial and Carnegie Avenues respectively (Project); and award a construction contract for the Project to HPS Mechanical, Inc., in the amount of \$1,317,391.69.

EXECUTIVE SUMMARY

The functionality of the City of Fresno's (City's) lift stations is an integral part in the Wastewater Collection System. This improvement project will extend the service life of the lift stations, increase the safety of the maintenance workers, and provide updated equipment to enhance lift station functionality. The Department of Public Utilities, Wastewater Management Division, is seeking to award a construction contract for the Project to HPS Mechanical, Inc., in the amount of \$1,317,391.69.

BACKGROUND

The Collection System Maintenance workgroup is responsible for maintaining the City's sewer infrastructure consisting of 14 lift stations. The five-year Capital Improvement Plan by the Wastewater Management Department identifies the lift stations in most need of rehabilitation. The purpose of these lift stations is to pump wastewater from areas of low elevation to sanitary sewers at higher elevations. Rehabilitation of these lift stations will improve access and safety for the collections systems workers who maintain the functionality of the lift station. The Project consists of improving access to the site by expanding the driveway and approach, rehabilitating the wet well, and replacing outdated electrical panels.

Plans and specifications were prepared for the Project. A Notice Inviting Bids was published on April 24, 2020, and posted on the City's Planet Bids website. The specifications were distributed to twenty two prospective bidders and posted at ten Building Exchanges. Two sealed bid proposals were received and publicly opened on May 19, 2020. The bid proposals were \$1,317,391.69 and \$1,921,506.50 respectively. The bid will expire within 64 days of bid opening, on July 21, 2020.

HPS Mechanical, Inc. was found to be the lowest responsive and responsible bidder, with the bid amount of \$1,317,391.69. The staff determination was posted on the City's Planet Bids website on Wednesday, June 10, 2020. Staff recommends that City Council award a construction contract to HPS Mechanical, Inc., in the amount of \$1,317,391.69, as the lowest responsive and responsible bidder. Their bid price is 9.7% above the Construction Allocation of \$1,200,000.

Upon reviewing the bid proposal submitted by HPS Mechanical, several of the bid items appear to be significantly higher than the estimated cost. The polymer concrete wet well and manholes were at least 30% to 90% higher than the estimated price. The cost of PVC, ductile iron pipe, and stainless steel pipe were bid 100% higher than the estimated cost. The cost estimate was calculated using a canvas of bids based on previous lift station improvement projects. It is possible that the current state of the economy and material availability may have driven those specific prices higher.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment for this Project in accordance with the CEQA requirement, and has determined that it falls within Categorical Exemption pursuant to Class

1, Section 15301 (b) and (d) (Existing Facilities), because this contract involves normal operation and maintenance of existing public sewer facilities. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this Project.

LOCAL PREFERENCE

Local Preference was not applied to the bid submitted by Dawson-Mauldin, pursuant to Fresno Municipal Code Section 4-108, it exceeded the 5% preference.

FISCAL IMPACT

There is no impact to the General Fund. The Project is located in the Council Districts 2, 3 and County of Fresno. Funding for this Project is included in the Fiscal Year 2020 capital improvement budget within the Wastewater Management Division's Sewer Enterprise Fund 40501.

Attachments:

Attachment 1 - Bid Evaluation and Fiscal Impact Statement

Attachment 2 - Sample Contract

Attachment 3 - Vicinity Map