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Title: Actions pertaining to drilling a new water production well at the Fresno/Clovis Regional Wastewater Reclamation Facility (RWRF) located at 5607 West Jensen Avenue (Bid File 3558) (Council District 3):
 1. Adopt a Mitigated Negative Declaration pursuant to Environmental Assessment D-17-052, State Clearinghouse No. 2017071055.
 2. Award a Contract to Anthony J. Prieto Water Well Drilling, Inc., in the amount of \$591,950 to drill a new water production well at the RWRF.

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Bid Eval 3558.pdf, 2. D-17-052 MND.pdf, 3. Sample Contract Form.pdf

Date	Ver.	Action By	Action	Result
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REPORT TO THE CITY COUNCIL

August 31, 2017

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

THROUGH: MICHAEL CARBAJAL, Division Manager
Department of Public Utilities - Utilities Planning & Engineering

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SUBJECT

Actions pertaining to drilling a new water production well at the Fresno/Clovis Regional Wastewater Reclamation Facility (RWRF) located at 5607 West Jensen Avenue (Bid File 3558) (Council District 3):

1. Adopt a Mitigated Negative Declaration pursuant to Environmental Assessment D-17-052, State Clearinghouse No. 2017071055.
2. Award a Contract to Anthony J. Prieto Water Well Drilling, Inc., in the amount of \$591,950 to drill a new water production well at the RWRF.

RECOMMENDATIONS

Staff recommends that the City Council adopt a Mitigated Negative Declaration pursuant to Environmental Assessment D-17-052, State Clearinghouse No. 2017071055; award a Contract in the amount of \$591,950 to Anthony J. Prieto Water Well Drilling, Inc.; and authorize the Director of Public Utilities or designee to sign all documents on behalf of the City of Fresno.

EXECUTIVE SUMMARY

The Department of Public Utilities (DPU) solicited Contractor services to perform the drilling and development of a new water production well at the RWRF. Anthony J. Prieto Water Well Drilling, Inc., was found to be the lowest responsive and responsible bidder with a bid in the amount of \$591,950. The proposed new well is essential in ensuring reliable water supply at the RWRF.

BACKGROUND

The Wastewater Management Division currently operates two potable water wells at the RWRF. These wells are critical for potable water for plant staff, fire protection, environmental lab operations, and emergency wash down locations. The RWRF has been expanded substantially over past decade to a point where the failure of one of these wells causes a reduction in available fire protection flows below the Fire Department requirements. The drilling and subsequent construction of a new potable well will ultimately provide the additional flows and redundancy necessary to ensure adequate fire protection flows.

The new well will be drilled in an existing vacant portion of the RWRF currently owned by DPU. Following completion of the proposed water production well, site improvements will be required to tie the new well to the RWRF potable water supply system. These future site improvements will comply with the requirements of the associated Conditional Use Permit and will be completed under a separate contract.

In order to construct the proposed new well, DPU 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 June 26, 2017. Project plans and specifications were distributed to 17 prospective bidders. Five sealed bid proposal were received and unsealed in a public opening on July 18, 2017.

Anthony J. Prieto Water Well Drilling, Inc., submitted a bid price in the amount of \$591,950 and is the lowest responsive and responsible bidder. The Staff Determination of Award was posted on the City of Fresno website on August 3, 2017. The price submitted is 17.78% below the Engineer's Estimate of \$720,000.

ENVIRONMENTAL FINDINGS

Staff prepared Environmental Assessment D-17-052 for this project in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines. The Initial Study resulted in staff concluding that a finding of Mitigated Negative Declaration (MND) was appropriate. The proposed project has been determined to not be fully within the scope of Master Environmental Impact Report (MEIR) SCH 2012111015 prepared for the Fresno General Plan. With all applicable mitigation measures of the MEIR applied to the project, together with project specific mitigation measures, impacts have been reduced to less than significant, and the project will not cause significant adverse cumulative impacts, growth inducing impacts and irreversible significant effects

beyond those identified by MEIR. No substantial changes have occurred with respect to the circumstances under which the MEIR was certified and no new information, which was not known and could not have been known at the time that the MEIR was certified as complete, has become available. Therefore, based on the attached Environmental Assessment and the list of identified mitigation measures, staff recommends that Council find the project will not have a significant impact on the environment and that the filing of a MND is appropriate in accordance with the provisions of CEQA Section 21157.6(b)(1). A Notice of Intent to Adopt the Mitigated Negative Declaration was noticed and published on July 21, 2017, as required by CEQA with no comments received within the 20 day comment period.

LOCAL PREFERENCE

Local Preference was not implemented as the lowest responsive and responsible bidder is a local business.

FISCAL IMPACT

Funds in the amount of \$1,165,000 were budgeted in the FY18 Wastewater Division's Capital Improvement Program budget within the Sewer Enterprise Fund (40501). The project is located in Council District 3 and will not have any impact to the General Fund. No additional funding is required for this project.

Attachments:

Evaluation of Bid Proposals and Fiscal Impact Statement

Environmental Assessment D-17-052

Sample Contract