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Title: Actions pertaining to Requirements Contract to Furnish and Install: Rehabilitate Various Public Water Supply Wells (Bid File 9499) (Citywide):

1. Adopt a finding of Categorical Exemption of Class 1, pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines
2. Award a requirements contract to Anderson Pump Company Inc., in the amount of not to exceed \$1,400,000, with provision for up to four one-year extensions
3. Authorize the Director of Public Utilities, or designee, to sign the contract on behalf of the City of Fresno

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Attachment 1 - Bid Eval Fiscal Impact.pdf, 2. Attachment 2 - Sample Contract.pdf

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|----------|--------|
| 4/25/2019 | 1 | City Council | approved | Pass |

REPORT TO THE CITY COUNCIL

April 25, 2019

FROM: MICHAEL CARBAJAL, Director
Department of Public Utilities

THROUGH: DEJAN PAVIC, PE, Public Utilities Manager
Department of Public Utilities - Utilities Planning & Engineering

BY: CYNTHIA FISCHER, Water System Supervisor
Department of Public Utilities - Water Division

SUBJECT

Actions pertaining to Requirements Contract to Furnish and Install: Rehabilitate Various Public Water Supply Wells (Bid File 9499) (Citywide):

1. Adopt a finding of Categorical Exemption of Class 1, pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines
2. Award a requirements contract to Anderson Pump Company Inc., in the amount of not to exceed \$1,400,000, with provision for up to four one-year extensions
3. Authorize the Director of Public Utilities, or designee, to sign the contract on behalf of the City

of Fresno

RECOMMENDATIONS

Staff recommends that City Council adopt a finding of Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines for a requirements contract to Furnish and Install: Rehabilitate Various Public Water Supply Wells (Project); award a requirements contract to Anderson Pump Company Inc., in the amount of not to exceed \$1,400,000, with provisions for up to four one-year extensions; and authorize the Director of Public Utilities, or designee, to sign the contract on behalf of the City of Fresno (City).

EXECUTIVE SUMMARY

The Department of Public Utilities, Water Division, is seeking to award a requirements contract for the Project in the amount of not to exceed \$1,400,000 to Anderson Pump Company Inc., with provisions for up to four one-year extensions. The City has approximately 200 operable wells in the potable water supply system. Keeping these wells on a regular cleaning and rehabilitation cycle will ensure that the City water users will receive clean, safe, and reliable drinking water at adequate pressures from the City's water supply system.

BACKGROUND

In the past, the public water supply wells in the City have been individually bid for cleaning and rehabilitation, allowing only 3 to 4 wells to be rehabilitated annually at an average cost of \$225,000 per well. By entering into this requirements contract, the City will be able to bundle the work on 15 to 25 wells annually, decreasing the cost of cleaning and rehabilitation of each well to approximately \$60,000 to \$85,000, depending on condition. Industry standards set by the American Water Works Association recommends that each well should be rehabilitated at 10-year intervals to optimize the life of the steel casings and to keep the water bearing formations in the aquifer clear of blockages created by the buildup of calcium and rust deposits on the well casings. By rehabilitating City water wells regularly at 10-year intervals, we can ensure that City groundwater wells are healthy and in excellent working condition to deliver safe and reliable water to our customers.

Specifications were prepared for this Project. A Notice Inviting Bids was published on February 7, 2019, and posted on the City's Planet Bids website. The specifications were distributed to twelve prospective bidders and posted at eight Builder Exchanges. A mandatory pre-bid meeting was held on February 21, 2019. Two sealed bid proposals were received and publicly opened on March 5, 2019. The bid proposals were \$466,795 and 570,635. The bid will expire within 64 days of bid opening, on May 8, 2019.

Anderson Pump Company Inc., was found to be the lowest responsive and responsible bidder with a bid amount of \$466,795. The staff determination was posted on the City's Planet Bids website on Friday, March 15, 2019. Staff recommends that City Council award a requirements contract to Anderson Pump Company Inc., in the amount of not to exceed \$1,400,000, with provisions for up to four one-year extensions.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment for this Project and in accordance with

the requirements of the California Environmental Quality Act (CEQA) has determined that it falls within Class 1 Categorical Exemption set forth in CEQA Guidelines, Section 15301 (Existing Facilities) as this requirements contract is for the rehabilitation of existing water wells at various locations throughout the City, which will not result in the expansion of the current well sites. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this requirements contract Project.

LOCAL PREFERENCE

Local preference was not implemented because the lowest bidder is a local business.

FISCAL IMPACT

There is no impact to the General Fund. This Project is Citywide. This Project is identified in the Water Division's five-year Capital Improvements plan. Funds in the amount of \$1,400,000 for this Project are budgeted in the Fiscal Year 2019 Water Enterprise Fund No. 40101, and future purchases will be included in future fiscal year budgets.

Attachments:

Bid Evaluation and Fiscal Impact Statement (Attachment 1)

Sample Contact (Attachment 2)