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Title: Award a Construction Contract to Smith Construction Company, Inc., in the amount of \$375,955.12, for construction of well site improvements at Pump Station 60A, located at 728 W Vassar Avenue (Bid File 3726) (Council District 1)

Sponsors: Department of Public Utilities

Indexes:

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

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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 Smith Construction Company, Inc., in the amount of \$375,955.12, for construction of well site improvements at Pump Station 60A, located at 728 W Vassar Avenue (Bid File 3726) (Council District 1)

RECOMMENDATIONS

Staff recommends City Council award a construction contract in the amount of \$375,955.12 to Smith Construction Company, Inc., (Smith Construction) for construction of well site improvements at Pump Station 60A (PS 60A) (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 60A. Smith Construction was found to be the lowest responsive and responsible bidder with a bid in the amount of \$375,955.12. The well site improvements are necessary to provide a complete and operational municipal water well. Once operational, PS 60A 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 60A 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 28 prospective bidders and 10 Building Exchanges. Four bid proposals were received and revealed in a public opening on April 28, 2020.

Smith Construction submitted a bid price in the amount of \$375,955.12 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 10.5% below the Engineer's Estimate of \$420,000.

ENVIRONMENTAL FINDINGS

Environmental Assessment C-11-060 was prepared for this Project in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines. Upon completion of the Initial Study, it was determined that the proposed Project is not fully within the scope of the Master Environmental Impact Report 10130 (MEIR) prepared for the 2025 Fresno General Plan. Staff concluded that a finding of Mitigated Negative Declaration (MND) was appropriate.

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 has determined that 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

Guidelines Section 21157.6(b)(1) and Section 15178(b)(1) and (2). A Notice of Intent to Adopt the Mitigated Negative Declaration was noticed and published on June 7, 2011, as required by the CEQA Guidelines, with no comments received within the 20-day comment period.

An addendum to the MND was filed on October 21, 2016 to acknowledge the conversion of the previous Conditional Use Permit to a Development Permit in accordance with Table 15-902 of the Citywide Development Code. An analysis was performed pursuant to the CEQA Guidelines Section 15162 and it was determined that a subsequent environmental review was not required for the Project. Furthermore, since a MND was previously adopted for this Project, the considerations set forth in CEQA Guidelines Section 15162(a)(3)(C) and (D), related to the adequacy and feasibility of previously adopted mitigation measures, are not applicable.

LOCAL PREFERENCE

Local preference was not implemented because 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 1. Funds for the construction of PS 60A 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 \$375,955.12. 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