



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 16-0472, Version: 1

REPORT TO COUNCIL

SUBJECT

Award of Contract for the Repair of Dual Media Filters at the Water Pollution Control Plant (F16-103)

REPORT IN BRIEF

Approval is requested to award a contract to ERS Industrial Services, Inc. of Fremont in an amount not-to-exceed \$347,672 for the repair of the Dual Media Filters (DMF) at the Water Pollution Control Plant. Approval is also requested for a 10% contract contingency in the amount of \$34,767.

EXISTING POLICY

Chapter 2.08 of the Municipal Code requires Council approval for transactions greater than \$100,000.

ENVIRONMENTAL REVIEW

This project is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15301 as the maintenance, repair or minor alteration of an existing facility involving negligible or no expansion of use beyond that presently existing.

BACKGROUND AND DISCUSSION

The dual media filters (DMF) are used in the treatment of wastewater as a polishing filter prior to disinfection. These filters have been in service for over 30 years. Both the filter media, composed of sand and anthracite, and the air diffuser nozzles in the filters, have shown signs of failure and are in need of rehabilitation. This work will include the replacement of the nozzles, support gravel, and filter media along with providing corrosion protection. These repairs will complete the rehabilitation of the last four of the eight DMFs. Repair of the other four DMFs was approved by Council in September 2013 (RTC No. 13-214).

An Invitation for Bids (IFB) for the rehabilitation of the DMFs was issued on March 29, 2016, through the City's public procurement network. Five Bay Area construction contractors requested the bid documents. One firm, ERS Industrial Services, Inc. attended the mandatory pre-bid meeting and submitted a bid by the due date of April 27, 2016. The pre-bid conference and walk-through were mandatory due to the existing construction constraints. Only contractors who attended the mandatory pre-bid conference were allowed to submit a bid. Staff contacted the other contractors who did not attend the pre-bid meeting to inquire into their non-submittal and found that the contractors were either busy with other commitments or felt that the work was specialized enough and would make their bid non-competitive. It should be noted that the City only received two bids when similar repairs were bid in 2013 and ERS Industrial Services was awarded the contract.

The current bid pricing is approximately 59% higher than the contract awarded in 2013 (\$347,672 v. \$218,216) for virtually the same work. Staff believes that the new prevailing wage requirement and

current market conditions are both factors for the significant price increase. Another factor could be the constrained timeframe to complete the work this summer to avoid the rainy season and to synchronize the work with the Continuous Recycled Water project. Other concurrent construction projects at the WPCP also limit the access and flexibility for construction this time, potentially increasing the cost of construction. Even though pricing is significantly higher than three years ago, staff recommends to award the contract to ERS as the company is a very qualified vendor who performed well on the 2013 contract and the time-constraints to complete the work.

FISCAL IMPACT

Project costs consist of the bid amount of \$347,672 and a recommended 10% contingency of \$34,767, for a total of \$382,439. Budgeted funds are available in the Equipment Replacement Fund 020201 and Capital Project 830220 (Repairs to the Tertiary Process).

FUNDING SOURCE

This project is funded by the Wastewater Management Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Award a contract, in substantially the same form as Attachment 2 to the report and in an amount not to exceed \$347,672 to ERS Industrial, Inc. for the repair of Dual Media Filters at the Water Pollution Control Plant and; 2) Approve a 10% contract contingency in the amount of \$34,767.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Acting Director of Finance

Reviewed by: John Stufflebean, Director of Environmental Services

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Bid Summary

2. Draft Maintenance and Repair Contract