



File #: 16-1013, Version: 1

REPORT TO COUNCIL

SUBJECT

Award of Contract for the Repair of Air Floatation Tanks No. 2 & 3 (F17-012) and Approval of Budget Modification No. 20 and Finding of California Environmental Quality Act (CEQA) Categorical Exemption

REPORT IN BRIEF

Approval is requested to award a contract to Anderson Pacific Engineering Construction, Inc. of Santa Clara in the amount of \$285,300 for the repair of the Air Floatation Tanks (AFT) No. 2 & 3 at the Water Pollution Control Plant, and for a 10% contract contingency in the amount of \$28,530. Approval is also requested for Budget Modification No. 20 in the amount of \$143,271 to provide additional funding.

EXISTING POLICY

Chapter 2.08 of the Municipal Code requires Council approval for maintenance and repair contracts 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 four AFT units at the Water Pollution Control Plant (WPCP) are an integral part of the tertiary process in the treatment of wastewater at the facility. Each unit consists of a concrete clarifier tank 60 feet in diameter with a center mechanical column. Three of the AFT units were constructed in 1975. Unit 4 was constructed in 1982. All the units have undergone major rehabilitation, which included replacement of the center mechanical units, electrical upgrades and recoating in 2012 and 2015. The AFT's are slated to be in service until 2035 and are critical to the wastewater treatment process.

Over the last year of operation, additional improvements have been identified to improve processes and enhance the production of recycled water. These improvements include replacing the skimmer wheels and wheel support rails, corrosion repair to the float collection trough, and addition of flow deflector baffles. A new wheel rail will allow the wheel rail to be better aligned to the rotating center column and new wheels with rubber treads will smooth the rotation of the center column. Sections of the float collection trough will also be replaced and recoated enhancing the algae separation. New deflector baffles are planned to be installed to enhance the flow characteristics of the tanks.

The new deflector baffles and float collection trough will result in a reduction algae float being delivered to the dual media filters from the AFT's. The reduction of algae float in the dual media filters

will reduce polymer use, thereby saving costs and improving the water quality available for recycled water.

An Invitation for Bids (IFB) for the rehabilitation of the AFTs was issued on September 2, 2016, through the City's public procurement network. Although six general contractors requested the bid documents, only one bid was received from Anderson Pacific Engineering Construction, Inc. Staff believes that the small size of the project relative to mobilization and demobilization costs was a factor in only receiving one bid. Anderson Pacific is already onsite working on another project and therefore will be able to quickly mobilize for the project. The current bid pricing is significantly higher than anticipated and likely due to the current economic climate. Due to the critical nature of the work, staff recommends awarding the contract, as it is uncertain whether rebidding will result in better bid pricing or a higher number of bids.

FISCAL IMPACT

Project costs consist of the bid amount of \$285,300 and a recommended 10% contingency of \$28,530, for a total of \$313,830. A portion of these costs, \$143,271 is available in the Wastewater Equipment Replacement Account 020201 and recommended to be reallocated to the Air Flotation Tanks Rehabilitation project. This multi-year capital project to rehab all four AFTs has been completed (the original project scope did not include the repair work that was bid for this contract).

Budget Modification No. 20 has been prepared to appropriate funding between the detailed projects.

**BUDGET MODIFICATION NO. 20
FISCAL YEAR 2016/17**

| | Current | Increase (Decrease) | Revised |
|---|----------------|--------------------------------|----------------|
| Wastewater Management Fund | | | |
| <u>Expenditure:</u> | | | |
| 825141 - Air Flotation Tanks Rehabilitation | \$170,559 | \$143,271 | \$313,830 |
| 020201 - Wastewater Equipment Replacement | \$411,755 | (\$143,271) | \$268,484 |

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) Make a finding of CEQA categorical exemption pursuant to CEQA Guidelines section 15301 for the maintenance, repair or minor alteration of an existing facility involving negligible or no expansion of use beyond that presently existing; 2) Approve Budget Modification No. 20; 3) award a contract, in substantially the same form as Attachment 2 to the report and in the amount of \$285,300 to Anderson Pacific Engineering Construction, Inc. for the repair of Air Floatation Tanks No. 2 & 3 at the Water Pollution Control Plant and authorize the City Manager to execute the contract when all necessary conditions have been met and; 4) Approve a 10% contract contingency in the amount of \$28,530.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, 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