



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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File #: 16-1018, Version: 1

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### **REPORT TO COUNCIL**

#### **SUBJECT**

Modify an Existing Purchase Order, Approve a New Purchase Order for Emergency Sewer Repairs for the Environmental Services Department (F17-046), Make a CEQA Finding of Categorical Exemption and Approve Budget Modification No. 22

#### **REPORT IN BRIEF**

Approval is requested to modify an existing purchase order with Able Septic Tank Service of San Jose for sewer repairs for the Environmental Services Department (ESD) by increasing the not-to-exceed value from \$90,000 to \$195,345, and to authorize the City Manager to increase the value of the existing PO and amend the term of the PO if emergency sewer repairs are required before December 14, 2016. Approval is also requested to establish a new purchase order in the amount of \$200,000 and to authorize the City Manager to increase the Purchase Order if necessary, not to exceed budgeted amounts.

#### **EXISTING POLICY**

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, Council approval is required for transactions exceeding \$100,000.

#### **ENVIRONMENTAL REVIEW**

The project is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15301(c) and (d) for the maintenance and repair of existing public facilities involving negligible or no expansion of an existing use.

#### **BACKGROUND AND DISCUSSION**

The City's sanitary sewer system consists of approximately 310 miles of sewer mains (ranging from 4 -48 inches in diameter); over 9,800 feet of force mains; 5 pump stations; 5,287 manholes; and over 29,471 laterals. The system serves the residents and businesses of Sunnyvale, as well 1,200 homes in Cupertino (Rancho Rinconada) and conveys wastewater to the Sunnyvale Water Pollution Control Plant by major interceptor pipelines located at Lawrence & Mathilda Ave. Most of the sewer collection system was built over a 20-year period from 1950-1970, and is aging and in need of repairs.

In October 2015, a \$45,000 Purchase Order (PO) was established with Able Septic to respond to emergency sewage spill clean-ups where City staff is unable or does not have the proper equipment to perform the work. The PO is also utilized to clean large sanitary sewer lines and perform as-needed repairs on sanitary or storm lines. The City is required to promptly address sewer emergencies to avoid any potential for sanitary sewer overflows including any environmental damage that could result from any sewage reaching a waterway. Sanitary sewer overflows, if not properly addressed, could result in fines imposed by the State Water Board.

Due to unforeseen emergency repairs, the PO was increased from \$45,000 to \$90,000 in March 2016. Necessary repairs, including other emergencies, occurred throughout the Summer and Fall months, which resulted in the PO being overspent by \$105,345.

Locations requiring sewer main repair include Brookwell Drive, Mathilda/McKinley Avenues and West Estates Drive. At El Camino Real and South Mary Ave locations there were blockages in the system that also required the installation of a manhole to provide future access. At Cheyenne/Saratoga-Sunnyvale Rd, an 18-foot drop inlet needed repairs. The depth of the repairs along with the traffic control and materials contributed to the increased cost for this work.

Additional work is required for repairs on two other drop inlets along Saratoga Sunnyvale Road and fixing a 6-inch cast iron sewer main on Calle de Barcelona in the Ranch development. With the new developments along Saratoga Sunnyvale Rd staff has been videotaping the sewer system to assess its condition, and by doing so has found to date three drop inlets that require repairs. Delaying repairs on drop inlets could result in the formation of sink holes.

The current PO expired on October 25, 2016, but repairs continued to be made as described above. Outstanding invoices totaling \$105,345 are owed to Able Septic, pending Council approval (the PO expiration date is recommended to be extended to December 13). If emergency sewer repairs are required prior to Council action, additional funding may be necessary.

It is anticipated that with the continued aging of the infrastructure and ongoing videotaping of the system where new problems will be found, an annual investment of at least \$200,000 per year will be required for future contracts.

### **FISCAL IMPACT**

Based on current usage and anticipated repairs, additional funding is recommended to fund the contract amendments.

Budget Modification No. 22 has been prepared to appropriate additional funding for Program 367 - Wastewater Collection Systems

#### **Budget Modification No. 22 FY 2016/17**

	<b>Current</b>	<b>Increase/ (Decrease)</b>	<b>Revised</b>
<b>Wastewater Management Fund</b>			
<u>Reserves</u>			
Rate Stabilization Reserve	\$3,050,850	(\$200,000)	\$2,850,850
<u>Expenditures</u>			
Program 367 - Wastewater Collections System	\$3,279,780	\$200,000	\$3,479,780

### **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) Authorize the City Manager to amend the existing Able Septic Service Purchase Order by increasing the not-to-exceed amount from \$90,000 to \$195,345, extend the term until December 13, 2016 and to increase the amount of the existing Purchase Order if additional emergency sewer repairs are required, not to exceed budgeted amounts; 2) Authorize the City Manager to issue a new Purchase Order to Able Septic Service in the amount of \$200,000 and to increase the amount of the new Purchase Order if necessary, not to exceed budgeted amounts; 3) Find the Project Categorically Exempt under CEQA Section 15301(c) and (d) for the maintenance and repair of existing facilities with negligible or no expansion of an existing use; and 4) Approve Budget Modification No. 22.

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

### **ATTACHMENT**

1. Draft Purchase Orders