



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Award a Contract to Install a Replacement Conveyor Belt at the SMaRT Station (F17-076), Make a Determination of Bid Non-responsiveness and Make Finding of CEQA Categorical Exemption

REPORT IN BRIEF

Approval is requested to award a contract in the amount of \$106,743 to D. W. Nicholson Corporation of Hayward, to install a replacement belt on one of the SMaRT Station conveyors. Approval is also requested for a 10% contingency in the amount of \$10,674, and to reject a non-responsive bid submitted by Titus Maintenance and Installation Services Inc. of Fontana.

EXISTING POLICY

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, competitive bids exceeding \$100,000 require Council approval to award or reject.

ENVIRONMENTAL REVIEW

The CEQA determination for this project is a Class 1, categorical exemption pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15301, for maintenance or repair of existing facilities involving negligible or no expansion of use beyond which presently exists.

BACKGROUND AND DISCUSSION

This particular conveyor is a component of the mixed waste processing system at the SMaRT Station. The conveyor carries the unrecycled residue from the processing lines to the area where residue is loaded into transfer trailers for delivery to the landfill. The rubber belt on the conveyor was last replaced in 2004, ten years after the original installation. The existing belt has been repaired several times and now needs replacement. Because this conveyor is an integral part of the mixed waste processing system, the replacement must be done over a weekend to avoid interruption to facility operations.

This project was advertised for competitive bidding on February 2, 2017. Bids were publicly opened on February 22, 2017. Two bids were received. The bid summary is contained in Attachment 1. The apparent low bidder, Titus Maintenance & Installation Services, Inc., provided a non-responsive bid in the amount of \$92,000 for failing to provide mandatory information required by the Bid Invitation. Though the non-responsive Titus bid is less than \$100,000, a standard 10% contingency would increase the transaction amount to \$101,200, requiring Council approval to reject. The remaining bidder, D.W. Nicholson is responsive. Staff recommends awarding the contract to D.W. Nicholson.

FISCAL IMPACT

Funding is available in Project 811250 - SMaRT Equipment Replacement for major facility and equipment repairs. Contributions to the fund by the partner cities of Sunnyvale, Mountain View and

Palo Alto are based on a 20-year schedule identifying some 40 components of the facility and equipment that require periodic repairs and/or replacement to ensure ongoing operations. This conveyor belt is one of these components and was planned for replacement in the current fiscal year.

Funding Source

This project is funded in the SMaRT Station 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 California Environmental Quality Act (CEQA) Categorical Exemption pursuant to CEQA Guidelines Section 15301 for maintenance or repair of existing facilities involving negligible or no expansion of use beyond which presently exists; 2) award a contract in the amount of \$106,743 to D.W. Nicholson Corporation, in substantially the same form as attachment 2 to the report, and authorize the City Manager to execute the contract when all necessary conditions have been met; 3) approve a 10% contract contingency in the amount of \$10,674; and 4) make a determination of non-responsiveness for the bid submitted by Titus Maintenance and Installation Services, Inc.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Kent Steffens, Assistant City Manager

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