



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Award of Contract for Digester #1 Cleanout at the Water Pollution Control Plant (F17-107) and Approve Budget Modification No. 4

REPORT IN BRIEF

Approval is requested to award a contract in an amount not to exceed \$158,840 to Synagro-WWT, Inc. of Baltimore to cleanout Digester #1 at the Water Pollution Control Plant (WPCP). Approval is also requested for a 10% contract contingency in the amount of \$15,884, and for Budget Modification No. 4 to provide additional project funding.

EXISTING POLICY

In accordance with Section 2.08.060 of the Sunnyvale Municipal Code, maintenance work anticipated to cost more than \$50,000 is conducted through the issuance of an Invitation for Bids (IFB), with a contract awarded to the lowest responsive and responsible bidder.

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

Pursuant to Sunnyvale Charter Section 1305, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another, or to appropriate available revenue not included in the budget.

ENVIRONMENTAL REVIEW

Cleanout of Digester #1 is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301(b) as it relates to maintenance of an existing public utility facility and involves no expansion of the existing use beyond that presently existing.

BACKGROUND AND DISCUSSION

The WPCP has 4 Anaerobic Digesters that require periodic cleaning to remove accumulated debris that become trapped inside during normal operation. Over time inorganic debris accumulates at the bottom of the digester. Floatable material intertwines through the mixing action of the pumping system and floats to the top of the digester tank creating a thick mat. The accumulation of these materials at the bottom of the digester and the accumulation of floatable material at the top can damage associated digester systems when the buildup becomes excessive. Currently Digester #1 is out of service awaiting to be cleaned before it can be returned to service.

On April 11, 2017, and Invitation for Bids (IFB) for the cleaning of Digester #1 was issued through the City's public procurement network and directly emailed to three companies. Fifteen contractors

requested the bid documents. Four firms attended the pre-bid meeting and three bids were submitted by the due date of May 10, 2017.

The current low bid is approximately 260% higher than the last cleaning contract awarded in 2014. Staff researched the reasons for this increase. New safety requirements were updated in 2015 to reflect the new Risk Management Plan (RMP) guidelines related to working areas with potential exposure to hazardous conditions (i.e., chlorine gas). Staff recognizes that the current prevailing wage requirements and market conditions are also factors for the significant price increase. To ensure Digester #1 can be placed back in service, staff recommends awarding the contract to Synagro-WWT, Inc., a qualified vendor currently performing well on Biosolid Removal Project at the WPCP.

FISCAL IMPACT

Project costs consist of the bid amount of \$158,840 and a recommended 10% contingency of \$15,884, for a total of \$174,724. Funding of \$81,600 is included in the FY 2017/18 Budget in Project 901146 - Annual Digester Cleaning. The remaining \$93,124 is recommended to be funded from savings in Project 830190 - Repairs to the Primary Process. Unexpended project funds in FY 2016/17 will be carried forward to FY 2017/18 to ensure funding to complete the project.

Budget Modification No. 4 has been prepared to appropriate project funds in the amount of \$93,124 to the new Annual Digester Cleaning project to fund the contract award recommended in this report.

Budget Modification No. 4 FY 2017/18

	Current	Increase/ (Decrease)	Revised
Wastewater Management Fund			
<u>Expenditures</u>			
Project 830190 - Repairs to the Primary Process	\$437,047	(\$93,124)	\$343,923
 New Project 901146 - Annual Digester Cleaning	 \$81,600	 \$93,124	 \$174,724

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 in the amount not to exceed \$158,840 to Synagro-WWT, Inc. for Digester #1 Cleanout at the WPCP authorize the City Manager to execute the contract when all conditions have been met; 2) approve a 10% contract contingency in the amount of \$15,884; 3) and approve Budget Modification No. 4 to provide additional funding for the project.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Kent Steffens, Assistant City Manager and Interim Environmental Services Director
Reviewed by: Walter C. Rossmann, Assistant City Manager
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft Maintenance Contract