

AGENDA ITEM NO. 1 D
COUNCIL MEETING 01/12/12
APPROVED BY


DEPARTMENT DIRECTOR

CITY MANAGER

January 12, 2012

FROM: PATRICK N. WIEMILLER, Director
Department of Public Utilities

BY: STEPHEN A. HOGG, Assistant Director
Department of Public Utilities – Wastewater Management Division

SUBJECT: REJECT ALL BIDS RECEIVED FOR THE DIGESTERS #1 AND #10 CLEANING
AT THE FRESNO/CLOVIS REGIONAL WASTEWATER RECLAMATION
FACILITY (BID FILE NO. 3125) (COUNCIL DISTRICT NO. 3)

RECOMMENDATION

Staff recommends the City Council reject all bids received for Digesters #1 and #10 cleaning at the Fresno/Clovis Regional Wastewater Reclamation Facility (RWRF).

EXECUTIVE SUMMARY

The Department of Public Utilities, Wastewater Management Division is seeking to reject all bids received for Digesters #1 and #10 cleaning at the RWRF. The lowest bid was 148 percent over the amount budgeted. In past years the project required staff to drain a large portion of the digester into another digester. As a result debris was also being shifted from one digester to another. The budget estimate was adjusted in an effort to account for an increase in cost that would result from the change in process, but contractors felt the additional dewatering added more unknowns and increased prices more than staff anticipated. Staff recommends the City Council reject all bids.

BACKGROUND

The RWRF operates thirteen anaerobic digesters. These digesters are tanks that range in size from 860,000 to 1,870,000 gallons. Digesters are used in the treatment of the solids generated at the RWRF to eliminate the pathogens and volatile organic compounds. Over a period of approximately six to eight years these digesters accumulate debris associated with the treatment (i.e. sand, plastics, rags, and hair). The purpose of this project is to remove all the accumulated debris from Digesters #1 and #10 and inspect the interior surfaces for corrosion, wear, and structural stability. Once removed from the digesters, the debris will be screened and transported to a landfill. After screening, the remaining material will be dewatered and processed along with the normal dewatered biosolids from the facility. The interior of the digester is then pressure washed and inspected for any problems.

Plans and specifications were prepared for the project. A Notice Inviting Bids was published on October 19, 2011 and posted on the City's website. The specifications were downloaded by twenty four prospective bidders, and posted at ten Building Exchanges. Two sealed bid proposals were received and publicly opened on November 17, 2011. The bid proposals were \$369,380 and \$1,177,777. Staff has determined the difference in the two bids to be too great to be considered competitive. Therefore, staff recommends the City Council reject all bids. The drawings and the technical specifications will be revised and the project will be re-advertised.

ENVIRONMENTAL FINDING

By the definition provided in the California Environmental Quality Act Guidelines Section 15378, the rejection all bids does not qualify as a "project" and is therefore exempt from the California Environmental Quality Act requirements.

FISCAL IMPACT

The rejection of all bids will result in no impact to the Sewer Enterprise Fund. The project is identified in the five year Capital Improvement Plan and included in the adopted five year rate plan. Funds in the amount of \$149,000 for the project are budgeted in the 2012 Sewer Enterprise Fund No. 40501.

Attachment:

- Bid Evaluation

EVALUATION OF BID PROPOSALS

FOR: DIGESTERS #1 AND #10 CLEANING FOR THE FRESNO/CLOVIS REGIONAL RECLAMATION FACILITY

Bid File No. 3125
Bid Opening:
11/17/11

BIDDERS NAME	TOTAL NET BID AMOUNT
1. Wastewater Solids Management, Inc. P.O. Box 826 Yerington, NV 89447	\$369,380.00
2. Proven Management, Inc 712 Sansome Street San Francisco, CA 94111	\$1,177,777.00

Each bidder has agreed to allow the City sixty-two (64) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, December 14, 2011 5:00 P.M.

The Engineers Estimate for this expenditure is \$ 149,000. The contract price is 248 % above/~~below~~ the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

The lowest bid was 248% over budget for this project because when the project was budgeted, dewatering of the biosolids was not part of the scope. Additionally the original budget assumed the digesters would be emptied 15 vertical feet to a level of 7 feet above the digester floor.

BACKGROUND OF PROJECT (To be completed by Evaluating Department/Division. Explain need for project/equipment):

The RWRF operates thirteen mesophilic anaerobic digesters. These digesters range in size from 860,000 to 1,870,000 gallons. Digesters are used in the treatment of the solids generated at the RWRF to eliminate the pathogens and volatile organic compounds. Over a period of approximately six to eight years these digesters accumulate debris associated with the treatment (i.e. sand, plastics, and hair). The purpose of this project is to remove all the accumulated debris and inspect the interior surfaces for corrosion, wear, and structural stability for digesters #1 and #10. Once removed from the digesters the debris will be screened out and transported to an appropriate class landfill. After screening the liquid will be dewatered and processed along with the normal dewatered biosolids from the facility. The interior of the digester is then pressure washed and inspected for any problems.

EVALUATION OF BID PROPOSALS

FOR: DIGESTERS #1 AND #10 CLEANING FOR THE FRESNO/CLOVIS REGIONAL RECLAMATION FACILITY

Bid File No. 3125
Bid Opening:
11/17/11

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

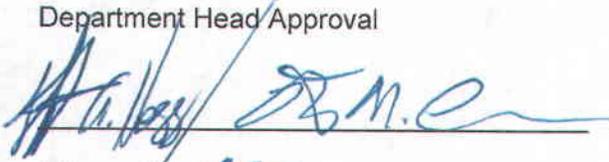
Award a contract in the amount of \$ _____
to _____
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Due to the fact that the lowest bid was 248% over budget for this project, staff will revise the drawings and specifications to best fit the allocated budget amount, and re-advertise.

Department Head Approval



Title ASD

Date 12/14/11

Approve Dept. Recommendation Approve GSD/Purchasing
Recommendation

Disapprove Disapprove

See Attachment

FINANCE DEPARTMENT

CITY MANAGER


Purchasing Manager Date


City Manager or Designee Date


Finance Director/Controller

Date 12/14/2011