



Agenda Report

22-1339

Agenda Date: 12/6/2022

REPORT TO COUNCIL

SUBJECT

Action on Award of a Purchase Order to Pump Repair Service Co. for the Purchase and Installation of a New Pump and Motor at Water Well Station 23 and Related Budget Amendment and a Class 1 Categorical Exemption Under CEQA

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The Water and Sewer Utilities Department (Department) is responsible for providing dependable supply of safe, potable water for the residents and businesses in Santa Clara. Today, the City's water supply comes from 20 active groundwater wells and water purchased from the Santa Clara Valley Water District (Valley Water) and the San Francisco Public Utilities Commission (SFPUC).

Due to the current drought, wholesale water supplies from the Valley Water and SFPUC have been significantly reduced as water has become scarce throughout the region. In addition, the City has lost a number of wells from decommissioning of aging wells. To offset the shortfall, the Department is proposing to reactivate Water Well Station 23 (Well-23) which has been out of service since September 2018. To reactivate the well, staff determined that the existing pump and motor need to be replaced.

DISCUSSION

Pursuant to City Code Section 2.105.140(d), a formal Request for Bids (RFB) was conducted, with award recommendation to the lowest responsive and responsible bidder. In September 2022, the City issued a RFB which was posted on the City's e-procurement system. Three responsive bids were received as follows:

Bidder	Bid Amount
Pump Repair Service Co.	\$289,960
Maggiora Bros Drilling	\$314,292
PumpMan NorCal	\$334,538

Staff recommends award of purchase order to Pump Repair Service Co. as the lowest responsive, responsible bidder. The bid amount of \$289,960 includes all labor, equipment, tools, and materials to remove the existing pump and motor, conduct well videos, perform a downhole mechanical cleaning if required, and install the new pump and motor. The amount does not include applicable sales taxes.

Upon completion of work, Well-23 is expected to produce 1,600 gallons of potable water per minute.

ENVIRONMENTAL REVIEW

The action being considered is exempt from formal environmental review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301(b) (Class 1 - "Existing Facilities") as the activity consists of the operation, repair, and maintenance of existing public structures, facilities, and mechanical equipment, including publicly owned utilities, involving negligible or no expansion of the existing use.

FISCAL IMPACT

A budget amendment appropriating funds from the Water Utility Fund's unrestricted fund balance to the capital outlay budget is necessary to provide funds for this purchase. The amendment is detailed in the table below:

Budget Amendment FY 2022/23			
	Current	Increase/ (Decrease)	Revised
Water Utility Fund			
<u>Expenditure</u>			
Capital Outlay	\$0	\$289,960	\$289,960
<u>Ending Fund Balance</u>			
Unrestricted Ending Fund Balance	\$4,140,933	(\$289,960)	\$3,850,973

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220 or via email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Adopt a Class 1 Categorical Exemption Under CEQA Guidelines Section 15301(b);
2. Authorize the City Manager to award a Purchase Order to Pump Repair Service Co. for the purchase and installation of a new pump and motor for Water Well Station 23 in an amount of \$289,960 plus applicable sales taxes;
3. Authorize the City Manager to execute change order(s) not to exceed \$30,000 as contingency and subject to the appropriation of funds; and
4. Approve the FY 2022/23 budget amendment in the Water Utility Fund to appropriate \$289,960 from the unrestricted ending fund balance to the capital outlay budget (**five affirmative Council votes required for the use of unused balances**).

Reviewed by: Gary Welling, Director, Water & Sewer Utilities
Approved by: Rajeev Batra, City Manager