



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 10

Section Name: {{section.name}}

Account Number: 72-4674

File ID: {{item.tracking_number}}

TO: City Council

FROM: Drew Corbett, City Manager

PREPARED BY: Public Works Department

MEETING DATE: September 06, 2022

SUBJECT:

Temporary Standby Generator for Dale Avenue Pump Station Upgrade – Agreement

RECOMMENDATION:

Adopt a Resolution approving an alternative purchasing procedure to enter into an agreement with Herc Rentals, Inc. for a temporary standby generator required to support the Dale Avenue Pump Station Upgrade project in an amount not-to-exceed \$222,090.41 for an estimated period of ten months; establish a contingency reserve of \$110,046; and authorize the Public Works Director to execute the agreement in substantially the form presented and issue change orders within the contingency amount.

BACKGROUND:

This City Council item was originally brought before the City Council as a consent calendar item at its regular meeting on August 15, 2022. However, the agenda report recommendation inadvertently omitted the adoption of a resolution for the approval of an alternative purchasing procedure. That procedure and the agenda report addressed an agreement with Herc Rentals, Inc. for the rental of a temporary standby generator for the Dale Avenue Pump Station (DAPS) Upgrade project. This City Council action remedies the inadvertent error in the August 15, 2022 agenda report.

The Basins 2 & 3 Collection System Improvements (Basins 2 & 3) is a Clean Water Program project that increases capacity and improves flow management to prevent sanitary sewer overflows in several areas throughout the City, including at DAPS. The DAPS Upgrade project comprises force main refurbishment, pump station equipment upgrades, and replacement of the existing emergency standby generator.

In October 2019, City Council awarded an agreement to Anvil Builders, Inc. (Anvil) to construct the DAPS Upgrade project. Much of Anvil's scope is nearly complete; however, there is still work associated with installation of the permanent emergency standby generator. The emergency standby generator at DAPS provides backup power supply for the pumps and facility during a power failure scenario. Due to permitting requirements to comply with the latest air quality emission standards, installation of the new emergency standby generator will take approximately ten more months to complete. While installing the new generator, a temporary standby generator is required to ensure continuous power capability.

To date, Anvil has utilized Herc Rentals, Inc. (Herc) as a subcontractor to provide a temporary generator for the DAPS Upgrade project. Anvil includes an industry standard 18% markup on the temporary generator costs to facilitate their subcontract with Herc. Since a temporary generator will be required for approximately ten more months, it is proposed that the temporary generator be procured directly by the City to save on markup costs, which equate to approximately \$3,800 per month.

Staff requested quotes from four temporary generator rental vendors. The only response and quote received was from Herc. Therefore, staff recommends awarding an agreement to Herc, and establishing a contingency of \$110,046 to cover

the rental costs for five additional months, if needed.

Pursuant to San Mateo Municipal Code section 3.60.070(h)(3), the City Council may approve other alternative purchasing procedures upon a finding by the City Council prior to or concurrent with the award of contract that the procedures are in the best interests of the City for the particular contract. Based on the above facts, staff recommends that City Council adopt a resolution approving an alternative purchasing procedure based on a finding that it is in the best interests of the City and approve the continued rental of an emergency generator from Herc Rentals, Inc.

BUDGET IMPACT:

Sufficient funds are available in the Basins 2 and 3 Collection System Improvements project to fund the agreement with Herc Rentals, Inc.

ENVIRONMENTAL DETERMINATION:

The resolution addressed by this administrative report is being undertaken to support the Clean Water Program. This project is subject to the requirements of the California Environmental Quality Act (CEQA), the general components of which are included as part of the Final Programmatic Environmental Impact Report (Final PEIR) (SCH No. 201532006) that was prepared for the Clean Water Program. The Final PEIR was certified by City Council on June 6, 2016.

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 – Proposed Resolution

Att 2 – Agreement

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