



STAFF REPORT

MEETING DATE: September 13, 2023

PRESENTER: Jerry Jones, City Engineer

SUBJECT: Award of Contract for the Lions Park Recharge Project to DG Construction Inc. (JJ)

RECOMMENDATION: Council by motion adopt resolution awarding contract for the Lions Park Recharge Project to DG Construction Inc. in the amount of \$222,770.00 and authorize the City Manager to sign the contract.

EXECUTIVE SUMMARY:

In 2014, the State of California passed the Sustainable Groundwater Management Act (SGMA). As the primary requirement of SGMA, local agencies who utilize groundwater as a source of supply must reach sustainability by 2040. Simply put, “sustainability” means that each local agency must not utilize more groundwater than they put back into the underground aquifer. In order to achieve this, the City must make efforts to offset groundwater pumping through groundwater recharge projects. In 2022, the City entered into an agreement with Fresno Irrigation District (FID) to receive an annual allocation of surface water to be used for groundwater recharge.

The Lions Park Recharge Project is the City’s first project, of many, that will be required to achieve sustainability by 2040. The Project consists of the installation of an actuated valve, water meter, and associated piping at FID’s existing structure located on the west side of Siskiyou Avenue at the Middleton Avenue alignment. These improvements will allow for water to be released from FID’s system, into the City’s storm drain system, which will then convey the water to the Lions Park Drainage Basin. Once the water is discharged into the basin, it will percolate into the ground, recharging the underground aquifer. With existing infrastructure, the Project will provide a substantial benefit to the City, without significant additional infrastructure costs. The City advertised for bids for the Project and bids were received from five contractors on Wednesday, August 30, 2023, and the results are as follows:

Contractor	Base Bid
DG Construction Inc.	\$222,770.00
HPS Mechanical, Inc.	\$244,356.00
JT2 Inc. dba Todd Companies	\$256,050.00
Alliance Construction Solutions, Inc.	\$264,000.00
Haydon Construction, Inc.	\$264,615.00
Engineer’s Estimate	\$157,000.00

Staff has reviewed the bid submitted by DG Construction Inc., along with information regarding their previous work experience. Based on review, Staff has determined the bid received to be responsive and DG Construction Inc. to be a responsible contractor.

FISCAL IMPACT:

The total estimated Project cost is \$326,500, including design, construction management, inspection, and contingency. The City has received a Proposition 1 GSP Implementation Grant from the California Department of Water Resources in the amount of \$207,515 for the Project. This leaves a shortfall of \$118,985. Staff recommend that the shortfall be funded with Water Operations Reserves, or another source upon Council's direction. If the Project does not move forward at this time, the City will be unable to meet the grant timeline and will be at risk of losing the grant funding.

ATTACHMENTS:

A. Resolution