



## MEMORANDUM REPORT

**Meeting Date:** April 20, 2021

**TO:** Board of Commissioners of the Los Altos Hills County Fire District

**FROM:** J. Logan, General Manager

**SUBJECT:** On-call Contractor for Hydrant Repairs: Approve Invitation to Bid Packet and Authorize Solicitation of Bids for Hydrant Repair Services

### **RECOMMENDATIONS:**

1. Approve the Invitation to Bid packet and authorize solicitation of bids for an on-call contractor to provide repair and replacement services for damaged hydrants and appurtenances in an amount not to exceed \$75,000 for FY21/2022, and
2. Direct staff to present the selection of the lowest, responsive responsible bidder at a future meeting for approval of the Board of Commissioners.

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### **BACKGROUND**

Since early 1950, one of the Los Altos Hills County Fire District's (LAHCFD or District) foundational roles has been to build, manage and maintain its 540 (five-hundred forty) fire hydrants and hydrant related infrastructure for purposes of supplying water systems for fire suppression and protection to the Los Altos Hills community and surrounding areas. As background, prior Memorandum Reports to the Board of Commissioners are attached to this report and outline the emergence of the District's fire hydrant systems in coordination and in partnership with the Purissima Hills Water District (PHWD). California Water Service Co. (Cal Water) also supplies water as a water utility to residents in the southern part of LAHCFD. Cal Water owns, maintains and manages the hydrants within its Los Altos Suburban District.

**Management of District's Hydrant Water Systems:** Attachment A, Memorandum Report, July 28, 2020, provides detailed early development background of the District's hydrant systems supported by the 1956 and 1980 Agreements, Attachment B, between the County of Santa Clara Board of Supervisors, on behalf of the District, and PHWD. The 1980 Agreement states that the District is charged by law with furnishing fire protection within its boundaries and the service area of the Water District (PHWD). Both Agreements provide the right for the District to install and attach hydrants and related infrastructure (hydrant systems) to PHWD water mains and to use water from PHWD water systems for purposes of fire suppression and protection of life and property. For this benefit, the Agreements state that the District shall be responsible for the maintenance and repair of all hydrants, replacements and additions. If the Water District must make repairs, the Fire District is required to compensate Water District for the associated costs. Water District is also not liable for hydrants and Fire District shall indemnify and hold Water District harmless for any and all claims, liabilities, damages to property, death or injury to persons arising from use of hydrants (excepting damages caused by fault or neglect of Water District).

Attachment C, Memorandum Report, November 17, 2020, also provides details of the District owned hydrant systems. These two Memorandum Reports provide an overview for the Board of Commissioners and outline of the projects and work to be performed by the District's Engineering Consulting firm, Freyer & Laureta, Inc. (F&L). These ongoing and future projects identified issues and solutions for damaged hydrants, Capital Improvement Projects (CIP) requiring removal, replacement and additions of District hydrants, and infrastructure assessments, inventory and operations. The establishment of these fire hydrant assessments, operations and budget review tables were received by the Commission.

Attachment D, F&L Memorandum Report for the January 19, 2021 Commission meeting, presents a plan and schematic mapping for the upcoming 2022 Concepcion/Fremont CIP construction project that will require relocation, replacement and addition of District owned hydrants and related hydrant infrastructure.

Attachment E, F&L Memorandum Report, March 16, 2021, pertaining to the Taaffe/Elena hydrant project presents a thorough analysis and verification for cost reimbursement of \$167,300 to PHWD of work performed that includes schematics and photographs of the relocated, replaced and added District fire hydrants and hydrant related infrastructure resulting from the PHWD CIP construction.

These hydrant projects were included in the January, February, and March 2021 LAHCFD Monthly Reports to the Management Audit Division and to the County of Santa Clara FGOC (Finance, Government, Operations Committee) and the HLUET (Housing Land Use Environment and Transportation) Committee. This monthly information provided a description of the hydrant projects and the expenditure of District Funds in accordance with Recommendation 1.1 of the Management Audit.

F&L has provided the Board of Commissioners with numerous reports, inspections, and analysis and has managed events due to struck and malfunctioning hydrant systems and relocations and addition of hydrant systems due to CIP construction. F&L convened a Task Force to gather hydrant data and is now engaged with staff to develop draft policies and guidelines and standard operating procedures (SOPs) for these hydrant events. The draft report will be presented to the Board of Commissioners for review and discussion at a future Commission meeting. Once adopted, the policies, guidelines and SOPs will define a framework and process for managing the operations of the District's hydrant system. This structure will provide the Board of Commissioners with a studied approach for decision-making related to the District fire hydrant system as described in the F&L Presentation on March 16, 2021, Attachment F.

**Hydrant claims administration and recovery of damage** are additional responsibilities in managing the hydrant infrastructure. This recovery process requires collection of documents and the administration and filing of damage claims with the insurance carriers of the identified parties who are responsible for damages and cost of repairs of the hydrant. The recovery of damages process is best engaged by District staff who have a keen interest in recovering costs of hydrant repairs to reimburse the losses on behalf of the District and the public taxpayers. F&L costs invoiced to the District for the assessment and management of the hydrant repairs are included in the claim recovery process and thus, reimbursed back to the District coffers. The Office of County Counsel and the County of Santa Clara Risk Management Division are available and responsive to assist the District in more problematic claim recovery incidents.

**Best Practices Business Model:** the above discussion demonstrates that delivery of a solid business model and implementation of best practices to manage the District hydrant water system is well underway. This process has required extensive attention to develop a framework for the District hydrant water systems as demonstrated in the November 17, 2020 Agenda, Item 14. Attachment G. It has required an understanding of the District's responsibilities as set forth in the 1956 and 1980

Agreements. In addition, procurement of contract services for hydrant repairs must comply with the Santa Clara County procurement process and procedures and must also comply with California Public Contract Code applicable to the Fire District.

**Strategic Plan Goal 4:** In recognition of the District's fire protection responsibilities and delivery of hydrant water systems for fire suppression for life and property safety, at the January 19, 2021 meeting, the Board of Commissioners approved Goal 4 of the 2021/2022 Strategic Plan. Goal 4 is to *Develop policies and processes for management of District's water systems of hydrant and hydrant infrastructure for protection of property, life-safety & support of fire suppression systems; continually improve community fire protection through District's water system of 540 hydrants and infrastructure; develop a studied approach to issues related to District-owned hydrants and hydrant infrastructure.* Implementation of the Goal 4 Objectives are now underway. Vice President Vaughn is the Commissioner aligned to Goal 4 and the Objectives.

## DISCUSSION

The next step in building the hydrant water system management framework is to identify an on-call contractor who is properly qualified and who is the lowest responsive responsible bidder to an invitation to bid solicitation by the District. The Invitation to Bid document, Attachment H, provides Notice to Bidders for on-call hydrant repair, Instructions to Bidders, General Conditions, Insurance Requirements, Bid Forms, Scope of Work/Specifications, Bid Proposal Forms and a Sample Agreement with Exhibits. The successful bidder, once approved by the Board of Commissioners, and who then executes an Agreement for Services that is approved by County Counsel as to form and legality, can then commence on-call service to the District for the repair and replacement of currently existing hydrants and appurtenances for an amount not to exceed \$75,000 (seventy-five thousand dollars) during FY21/2022, Attachment H. This will streamline the contracting process and allow for quicker mobilization in the event of hydrant strikes and other hydrant repairs.

The Invitation to Bid solicitation, documents and procedures are all in accordance with Santa Clara County procurement practices and/or State Law. The District is required to comply with these procurement practices.

The following schedule is proposed for the Invitation to Bid process for an on-call hydrant repair contractor:

- Issue Notice to Bidders including posting on Bid Sync (service used by the County) on April 26, 2021 to provide a few days following the Commission Meeting to prepare the final document and coordinate publications.
- Bid period is from April 26, 2021 to May 26, 2021, which is approximately 4.5 weeks.
- Bids are evaluated from May 26, 2021 to June 9, 2021.
- Lowest, responsive bidder as determined by F&L, in accordance with the bid specifications, is presented to the Commission for approval at a future Commission meeting. Target date is June 15, 2021.

Once the Invitation to Bid is approved by the Board of Commissioners, F&L will proceed with finalization of the bid documents including adding key dates, contact information, and other key items that are currently highlighted for final review by District and County Counsel.

**Summary:** Management of the fire hydrant systems is a foundational and core function of LAHCFD. District staff, F&L Engineering Consultants and the assistance of County Counsel have developed a solid framework that utilizes best practices for the management of the District hydrant water systems. Strategic Plan Goal 4 is aligned to Vice President Vaughn who completes the District team to update the Board of Commissioners as hydrant system events occur and solutions are developed. LAHCFD is the most appropriate body for its fire hydrant water systems oversight and the District team is the best positioned with the competencies to respond to and manage the day-to-day demands of the

hydrant systems. This is evidenced by the reports attached, progress made and the resulting recommendations that were approved by the Board of Commissioners. Management of the fire hydrants water systems is aligned with Recommendation 1.1 of the Management Audit and reported to the FGO and HLUET Committees through the District Monthly Reports pertaining to management and expenditures for the hydrant water systems. A process for administration and filing claims and collecting damages resulting from losses caused by 3<sup>rd</sup> parties is operational and has support from the Office of County Counsel and County Risk Management as needed.

The complexities and various requirements of managing the District hydrant water systems, the on-going requirements under the 1980 agreement and the accountability to the County of Santa Clara and the public, require that the hydrant water systems are best managed internally by the District. With all these factors, the District is on a path of progress and successful stewardship of this important District asset.

**RECOMMENDATIONS:**

1. Approve the Invitation to Bid packet and authorize solicitation of bids for an on-call contractor to provide repair and replacement services of damaged hydrants and appurtenances in an amount not to exceed \$75,000 for FY21/2022, and
2. Direct staff to present the selection of the lowest, responsive responsible bidder at a future meeting for approval of the Board of Commissioners.

**Attachment(s):**

- A. July 28, 2020 Memorandum Report
- B. 1956 and 1980 Agreements
- C. November 17, 2020 Memorandum Report
- D. F&L Report: Concepcion/Fremont Project
- E. F&L Taaffe/Elena Cost Reimbursement Report
- F. F&L Hydrant Process Overview, Development of Policies, Guidelines and SOPs
- G. November 17, 2020 Agenda, item 14
- H. Notice to Bidders ITB Solicitation Document