



Legislation Text

File #: 17-622, **Version:** 1

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SUBJECT: Award Bid for Constructing a New Municipal Well and Amend an Engineering Design Contract for the Well 21 Site, Project No. 113026

REPORT IN BRIEF

Consider awarding a contract in the amount of \$608,307 to Nor-Cal Pump and Well Drilling, Inc., to construct a new municipal well; and, approving a second contract amendment for engineering design services with AECOM Technical Services, Inc., in the amount of \$2,561, for the Well 21 site project.

RECOMMENDATION

City Council - Adopt a motion:

- A. Awarding the bid for the Well 21 site well construction to Nor-Cal Pump and Well Drilling, Inc., in the amount of \$608,307; and,
- B. Approving a second amendment to an Agreement for Professional Services with AECOM Technical Services, Inc., in the amount of \$2,561 for engineering design services; and,
- C. Authorizing the City Manager or Assistant City Manager to execute the necessary documents and to approve change orders not to exceed 10% of the total contract.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to modifications as conditioned by City Council; or,
3. Refer to staff for reconsideration of specific items; or,
4. Deny.

AUTHORITY

Charter of the City of Merced, Section 200 et seq.

Municipal Code Chapter 3.04, Article IV - Public Works Contracts. Every project involving an expenditure of more than sixty-seven thousand, seven hundred and seventy-nine dollars (\$67,779) for the construction or improvements of public buildings, works, streets, drains, sewers, utilities, park, and playgrounds shall be let by contract to the lowest responsive and responsible bidder after notice by publication in the official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids.

CITY COUNCIL PRIORITIES

As provided for in the 2017-18 Adopted Budget.

DISCUSSION

Well Site 21

The City Engineer and the Public Works Director have recommended that a new water well be located at the intersection of Bellevue Road and G Street.

On September 21, 2015, the City Council awarded an Agreement for Professional Services to AECOM Technical Services, Inc. (AECOM), to design the new Well 21 municipal well and pump station. The proposed work generally consists of: drilling a borehole to 640 feet below grade surface, installing a well conductor casing, developing the well to produce clean water, performing well and aquifer testing; and, installing a temporary water discharge line to the Merced Irrigation District's 6-Mile Drain located east of the site across G Street.

AECOM, under the direction of City staff, prepared plans and specifications for the work. The project was advertised and the bid opening conducted on September 28, 2017. The second and third low bidders filed bid protests against the apparent lowest bidder. Staff and the City Attorney recommended that the City Council reject all bids and rebid the project. The City Council concurred at its November 6, 2017 meeting and adopted a motion to reject all bids and directed the staff to re-advertise the project.

The project was re-advertised and the bids were opened on January 4, 2018, with the following results:

1. Nor-Cal Pump & Well Drilling, Inc. (Yuba City, CA) \$608,307
2. Zim Industries, Inc. (Fresno, CA) \$650,441

As a comparison, the lowest bid from the initial September 28, 2017 was \$661,526 from Well Industries, Inc., Chico CA. to construct the well. The cost did not include contingency, Engineering, testing and inspection service. The engineer's estimate to construct the well was \$690,000.

The following is the proposed budget for the construction of the well:

Construction	\$ 608,307
Contingency (10%)	\$ 60,831
Engineering, Testing, Inspection (5%)	\$ 30,415
Total	\$ 699,553

In the future, Staff will come before Council to award a construction contract for the new pump station and to tie the new well into the City water system.

AECOM Contract Amendment

The City Council approved a first amendment to the AECOM design contract on October 18, 2016. This amendment included a provision for advancing a driven casing test well at the site, rather than

mud rotary drilling, for designing the final production well. The reason for this change was to ensure the highest quality of water samples obtained during the test borehole drilling.

A second amendment to the AECOM contract is necessary at this time to cover their charges to rebid the project as outlined above. AECOM incurred additional costs to develop minor modifications to the specifications, attend a second prebid meeting, and assist with bid support.

History and Past Actions

On February 2, 2004, the City Council adopted a resolution 2004-24 approving the final subdivision map for "*Bellevue Ranch East Village 16*" and accepting lot "W2" for well site purposes.

On February 17, 2015, the City Council adopted a motion affirming the use of lot "W2" for well site purposes.

On April 3, 2017, the City Council awarded a contract to Yellow Jacket Drilling to complete a test well at the Well 21 site. This work affirmed that the site was suitable for a new municipal well.

IMPACT ON CITY RESOURCES

This project was established as a Capital Improvement Project and account 556-1118-637.65-00-113026 contains sufficient funding to complete the project.

ATTACHMENTS

1. Site Map
2. Bid Results
3. Nor-Cal Pump and Well Drilling, Inc. Contract
4. AECOM Technical Services, Inc. Contract Amendment