



Legislation Text

File #: 24-488, **Version:** 1

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SUBJECT: Approval of On-Call Municipal Well Services Contracts with Arsenal Well Drilling, Inc., Layne Christensen Company, and Shannon Pump Company for a Three-Year Term not to Exceed a Combined \$500,000 Annually, With an Optional One (1) Year Extension, for a Total Amount not to Exceed \$1,500,000 for the Initial Term

REPORT IN BRIEF

Considers approving a three-year On-Call Municipal Well Services Contract with Arsenal Well Drilling, Inc., Layne Christensen Company, and Shannon Pump Company, in an amount not to exceed \$500,000 annually, for response, evaluation, recommendation, and supply of materials and labor for emergency repairs and planned maintenance projects, on an as-needed basis, at various City of Merced municipal wells.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving On-Call Municipal Well Services Contracts with Arsenal Well Drilling, Inc., Layne Christensen Company, and Shannon Pump Company, for a three-year term, with an optional one-year extension, in a combined amount not to exceed \$500,000 annually; and,
- B. Authorizing the Finance Officer to make the necessary budget adjustments; and,
- C. Authorizing the City Manager or designee to execute the necessary documents.

ALTERNATIVES

- 1. Approve as recommend by Staff; or,
- 2. Approve, subject to modifications as conditioned by Council; or,
- 3. Deny; or,
- 4. Refer back to Staff for reconsideration of specific items as requested by Council; or,
- 5. Continue item to a Council future meeting.

AUTHORITY

City of Merced Charter, Section 200 - Powers.
Merced Municipal Code (MMC) Section 3.04 - Purchasing System.

COUNCIL PRIORITIES

As provided for in the FY 2023/2024 budget.

DISCUSSION

The City of Merced Water Division is dedicated to providing the citizens of Merced with safe, reliable, plentiful, and pleasant tasting drinking water. The City's municipal drinking water system relies entirely on ground water supplied by deep well pumps. This makes the deep well pumping system the City's most crucial component for public health and safety. Deep well pumping systems are robust but complex. Because deep well pump systems are mostly underground and operate in very harsh conditions, any part of a deep well pump system can fail without warning. Urgently responding and properly repairing such failures requires a specially licensed well contractor with specialized training and specialized equipment.

The City of Merced Water Division's "Well Source Assurity Program" is an ongoing inspection and maintenance effort that includes having a well and pump assembly removed, disassembled, and inspected. Also, when the pump is removed, the well casing is cleaned and video inspected. The video inspection plays a vital role in determining the well casing's long-term viability as a source. Long-term viability is based on total casing depth, perf locations, and general casing material condition. If the well casing is deemed viable then the casing is rehabbed, the pump is rebuilt, the drive system is rebuilt, and the well pump system is reassembled and returned to service with a clean bill of health. Whenever a failure occurs that requires pump disassembly, we conduct the same long-term viability assessment prior to repairs.

The City of Merced issued a Request for Qualifications (RFQ) to provide specialized On-Call Municipal Well Services as mentioned above. Three (3) responses to the RFQ were received:

1. Shannon Pump Co. (Merced, CA)
2. Layne Christensen Co. (Bakersfield, CA)
3. Arsenal Well Drilling, Inc. (Visalia, CA)

City staff convened an evaluation committee consisting of the Director of Public Works, PW Manager - Water, and PW Supervisor - Water. The proposals were evaluated on criteria including, but not limited to: ability to respond, project experience, completeness, and overall expertise.

Staff recommends entering into separate agreements with all three RFQ respondents as a roster of available providers for on-call municipal well services for a combined amount not to exceed \$500,000 annually for a 3-year period, with an optional 1-year extension.

IMPACT ON CITY RESOURCES

No appropriation of funds needed. Funding is available in FY2023-24 approved budget. Future years funding will be contingent upon budget approvals.

ATTACHMENTS

1. Arsenal Well Drilling Contract
2. Layne Christensen Co. Contract
3. Shannon Pump Co. Contract