



Legislation Text

File #: 17-488, **Version:** 1

Report Prepared by: Joseph D. Angulo, Environmental Project Manager, Engineering

SUBJECT: Reject All Bids for the New Municipal Well 21 Construction, Project No. 113026

REPORT IN BRIEF

Consider rejecting all bids to construct the new municipal well for the Well 21 site located at the intersection of Bellevue Road and G Street.

RECOMMENDATION

City Council - Adopt a motion rejecting all bids for the Well 21 site well construction and directing staff to advertise the project for rebidding.

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

Not applicable.

DISCUSSION

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 work under consideration generally consists of: drilling a borehole to 640 feet below grade surface, installing a well conductor casing, developing the well to produce clean water, and performing well and aquifer testing as necessary; 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, with the following results:

1. Well Industries, Inc. (Chico, CA)	\$661,526
2. Zim Industries, Inc. (Fresno, CA)	\$666,241
3. Nor-Cal Pump & Well Drilling (Yuba City, CA)	\$708,552
4. Yellow Jacket Drilling (Gilbert, AZ)	\$742,426
5. Maggiora Bros Drilling, Inc. (Watsonville, CA)	\$4,537,484

The second and third low bidders filed protests regarding the apparent low bidder. The first bidder was determined to be non-responsive by not submitting the correct information as required by the bid, and the second and third low bidders were also non-responsive since the subcontractor listed in the bid does not have C-57 license as required by City Ordinance 8.12.070 - Well Drillers. Therefore, after consultation with the City Attorney, staff recommend that all of the bids be rejected and that the proposed work be rebid.

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 site. Laboratory analysis of groundwater samples obtained during this work affirmed 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. Bid Results
2. NorCal Pump and Well Drilling bid protest
3. Zim Industries, Inc. bid protest