



Legislation Text

File #: 19-058, **Version:** 1

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SUBJECT: Award of Bid and Approval of Contract with Hobbs Construction Inc., in the Amount of \$2,691,790 for Well 21 Site Improvements, Project No. 113026

REPORT IN BRIEF

Considers awarding a contract in the amount of \$2,691,790 to Hobbs Construction, Inc. to perform the pump station construction for the new water supply Well 21 at the intersection of Bellevue Road and G Street.

RECOMMENDATION

City Council - Adopt a motion awarding the bid for Well 21 Site Improvements, Project 113026, to Hobbs Construction, Inc., in the amount of \$2,691,790; and, authorizing the City Manager or the 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 the adjusted amount of sixty-nine thousand, eight hundred and thirty- three dollars (\$69,833) for the construction or improvements of public buildings, works, streets, drains, sewers, utilities, parks, 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 2018-19 Adopted Budget

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 new well was installed in May 2018 and a new pump station and associated infrastructure is required to tie the well into the municipal water supply system.

The project, in general, consists of the installation of a pump station building, electrical service, emergency backup generator, and associated plumbing to connect the site to existing water, sewer, and storm water piping.

AECOM, under the direction of City staff, prepared plans and specifications for the work. The project was advertised and the bids were opened on January 10, 2019, with the following results:

1. Hobbs Construction, Inc. (Fresno, CA)	\$ 2,691,790.00
2. Smith Construction Co., Inc. (Fresno, CA)	\$ 2,993,606.23
3. Steve Dovali Construction, Inc. (Fresno, CA)	\$ 3,140,580.60

The engineer's estimate was \$2,500,000.

The following is the proposed budget for the project:

Construction	\$ 2,691,790.00
Contingency (10%)	\$ 269,179.00
Engineering, Testing, Inspection (5%)	\$ 134,589.50
Total:	\$ 3,095,558.50

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 approved the use of lot "W2" for well site purposes.

On April 23, 2017, the City Council awarded a contract to Yellow Jacket Drilling to construct a test well at the new Well #21 site.

On February 5, 2018, the City Council awarded a contract to Nor-Cal Pump and Well Drilling to construct the new water Well #21.

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. Vicinity Map
2. Location Map
3. Bid Results
4. Contract