



Legislation Text

File #: 21-258, Version: 1

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SUBJECT: Award of Bid and Approval of Construction Contract with Standard Demolition, Inc. for the Well Site 3 Tank Removal, Project No. 117047, in the Amount of \$274,500

REPORT IN BRIEF

Considers awarding a contract in the amount of \$274,500 to Standard Demolition, Inc. to remove the elevated water storage tank at Well Site #3 located at 511 West 12th Street.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the bid for the Well Site 3 Tank Removal, Project No. 117047, to Standard Demolition, Inc., in the amount of \$274,500; and,

B. Authorizing the City Manager or designee 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. Reject, and direct staff to rebid the project.

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 seventy one thousand, eight hundred, sixty-two dollars (\$71,862) 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 2020-21 Adopted Budget

DISCUSSION

Municipal Well Site 3

Merced's Well Site #3 is located at 511 West 12th Street. The well site currently includes a

groundwater supply well designated Well 3C and a 140-foot high elevated water tank structure. The 300,000-gallon riveted steel tank was installed in 1934 for maintaining water system pressure in the growing City of Merced. The system was designed so that groundwater is pumped out of the well and into the elevated storage tank. The water then flowed under the influence of gravity from the elevated tank to the City's piping distribution system.

The original City Well 3 was installed on the subject site in the 1920's. Replacement wells 3A and 3B were installed on the parcel in the 1950s. These two wells were impacted by the chemical Tetrachloroethylene, also known as Perchloroethylene (PCE). Wells 3A and 3B were destroyed in 1987 due to the PCE impacts and Well 3C was installed that same year to replace the older, shallower wells. Unfortunately, Well 3C was also impacted and it has intermittently contained detectable concentrations of PCE.

A PCE groundwater treatment system consisting of four (4) twenty-thousand (20,000) pound carbon vessels was installed at the site in September 2017. The groundwater is pumped from Well 3C, through the carbon filtration vessels, and then directly into the water piping distribution system. This plumbing arrangement completely bypasses the elevated tank. One important aspect of the PCE treatment system is that Well 3C must be operated (pumped) to send as much water as possible through the carbon vessels. Besides the primary purpose of providing a clean drinking water source to Merced, this is also to prevent the water in the vessels from becoming stagnant and facilitating the formation of bacteria on the carbon media. The 300,000-gallon water tank cannot be used as in the past because it would cause idle periods of non-pumping due to the large storage capacity of the tank.

Staff recommended demolishing the Well Site #3 tank as it is no longer needed to operate Merced's water supply system. It has been disconnected from the water system as its continued use would serve as an impediment to the proper operation of the PCE groundwater treatment system.

Cardno Inc. (consulting engineers), under the direction of City staff, prepared plans and specifications for the tank demolition work. The project originally had a bid opening on April 9, 2020 with one bid by Bowen Engineering and Environmental for \$318,000.00.

Two bids were received on March 2, 2021:

Bowen Engineering and Environmental (Fresno, CA)	\$328,000
Standard Demolition, Inc. (Ventura, CA)	\$274,500

The following is the proposed budget for the project:

Construction	\$ 274,500
Contingency (10%)	\$ 27,450
Engineering, Testing, Inspection (3%)	\$ 8,235
Total	\$ 310,185

History and Past Actions

On August 20, 2018, the City Council awarded a contracted to Cardno Inc. for engineering demolition and design services for the tank removal.

On August 20, 2018, the City Council adopted Resolution No. 2018-56, approving and certifying a Final Environmental Impact Report for the Well 3 Tank Demolition Project, making Findings and Determinations, adopting a Statement of Facts and Overriding Considerations, and adopting a Mitigation Monitoring Program.

On July 6, 2020, the City Council rejected the single bid from Bowen Engineering and Environmental, Inc. in the amount of \$328,000 and recommended a re-bid be performed at a later date.

IMPACT ON CITY RESOURCES

This project was established as a Capital Improvement Project and account 557-1106-637.65-00-117047 contains sufficient funding to complete the project.

ATTACHMENTS

1. General Construction Contract
2. Bid Summary
3. Aerial Photo