



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Ward and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Jim Arndt, Director of Public Works
Raul Saenz, Utilities Manager

DATE: December 15, 2009

SUBJECT: Award of Contract in the amount of \$181,540 for Well #15 Reconditioning Project to General Pump Company, Inc.

RECOMMENDATION:

Staff recommends that the City Council pass a motion to:

- a) Award a contract in the net amount of \$181,540 to General Pump Company, Inc. for the Well # 15 Reconditioning Project.
- b) Authorize the Director of Public Works to approve additional work in an amount not-to-exceed \$18,000, if required.

FISCAL IMPLICATION:

Water Enterprise Funds in the total amount of \$260,000 has been appropriated for this project through the Fiscal Year 2008-09 and 2009-10 Capital Improvement Programs. A summary of expenditures and revenues is as follows:

EXPENDITURES	
Construction Contract (General Pump Company)	\$181,540.00
Contingency (10%)	\$ 18,000.00
TOTAL ESTIMATED EXPENDITURES	\$199,540.00
BUDGET	
2009-10 Well #15 Reconditioning Project	\$200,000.00
2008-09 Well #15 Reconditioning Project	\$60,000.00
TOTAL BUDGET	\$260,000.00

BACKGROUND

In an effort to recondition Well # 15, City Council appropriated \$60,000 in Fiscal Year 2008-09 and \$200,000 in Fiscal Year 2009-10 bringing total appropriations to \$260,000.

Well # 15 is located on the southwest corner of Manhattan Beach Blvd and Vail Ave. in the City of Redondo Beach. Over the past three years, the well’s water production capacity has dropped from 1850 gallons per minute (gpm) to 400 gpm. The decreased production capacity may have resulted as a function of mechanical and/or well casing perforation degradation. The exact cause(s) will be determined through visual inspection of the motor/pump assembly and well casing when the equipment is pulled from the well head. While the motor/pump assembly is removed, Staff will perform down-hole preventative maintenance to assure continued aquifer production capacity.

This project will involve:

- Removal of the 250 horse power motor, discharge head and 130 feet of pump assembly for inspection and determination of replacement needs.
- Down-hole video inspection of 410 feet of well casing and perforations for determination of appropriate down-hole rehabilitation methods.
- Mechanical and/or chemical agitation of the well casing perforations and immediately adjacent aquifer to restore the well’s ability to transmit water.
- Aquifer redevelopment and pump testing aimed at determining the well’s maximum production capability.
- Selection of a new motor and pump assembly based on the aquifer redevelopment testing.

DISCUSSION:

Bid Proposals

This project was advertised for bids in accordance with the City policy. In an effort to enhance competition, Staff contacted and mailed Bid Packages to the four known local well construction contractors, all of whom expressed an interest in the project. Subsequently, one contractor informed Staff that they were too busy to assume more work; and one contractor never submitted a bid. Of the other two contractors, one submitted the recommended low bid; and the other was submitted late and rejected.

No.	Name of Bidders	Bid Amount	Remarks
1	General Pump Company, Inc.	\$181,540	Lowest Responsible Bidder.
2	Layne Christensen Company.	Unknown	Bid rejected and returned unopened for Non-Compliance. (See below for details)

Lowest Responsive Bidder – General Pump Company, Inc.

The Lowest Responsive Bidder is General Pump Company. General Pump Company’s bid was reviewed by the Public Works Department and found to be responsive. Staff reviewed General Pump Company’s contractor’s license and found it to be in order. Additionally, references indicate that General Pump Company has the knowledge and capability to complete the work. The project was discussed with a representative of the firm and he expressed confidence in his bid and a desire

to perform the work.

Staff recommends awarding of the contract to General Pump Company even though they were the sole responsive bidder for the Well 15 Reconditioning Project. The City had previously gone out to bid in August 8, 2008 where the sole lowest responsible bidder, Layne Christensen Company, came in at \$287,243. This greatly exceeded the budgeted amount of \$60,000. On September, 02, 2008, City Council rejected the bid and authorized Staff to re-advertise the project. In the 2008/09 CIP, the City added an additional \$200,000 for anticipated project costs and subsequently redesigned the technical specifications to more accurately reflect the project scope. The re-bid project has resulted in the recommended bid of \$181,540 by General Pump.

Rejection of Bid Submitted by Layne Christensen Company.

Layne Christen Company's bid was not received by the City Clerk on the November 24, 2009 bid submittal deadline. The bid package was rejected and returned unopened to Layne Christensen Company.

Additional Work Authority

Authorizing the Director of Public Works to approve additional work in an amount not-to-exceed \$18,000 would expedite well reconditioning. Well reconditioning projects involve dealing with infrastructure repairs that are not fully known until the all equipment is removed from the well casing. While the project bid package was developed to address costs associated with most of the expected improvements discovered upon inspection, there is a probability for encountering unforeseen conditions. If the contingency is approved with this award, the Public Works Director will report the status of any additional work to Council at the end of the project.

Public Outreach

Under direction from the City of Redondo Beach Public Works Department, City Staff will mail a Project Announcement to residents and businesses in the immediate vicinity of this project two weeks before construction is scheduled to begin. The Project Announcement will include general information about the project, project dates, hours of work, anticipated noise and traffic levels, and City of Manhattan Beach Staff 24/7 contact information.

Schedule

Construction is tentatively scheduled to begin on January 4th, 2010 and includes 85 working days for completion.

Balance of Funds

Bids received were below the \$260,000 budgeted in the Water Enterprise Fund. It is estimated that a balance of funds in the amount of \$60,306.00 will remain after completion of the project.

xc: Henry Mitzner, Controller