



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Ward and Members of the City Council

THROUGH: Richard Thompson, Interim City Manager

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

DATE: September 21, 2010

SUBJECT: Consideration to Approve Final Payment in the Net Amount of \$80,745.77 to General Pump Company Inc. for the Well #15 Reconditioning Project; Formally Accept the Well #15 Reconditioning Project as Complete; Authorize Filing of the Appropriate Notice of Completion and Release of Retention in the Amount of \$15,593.97.

RECOMMENDATION:

Staff recommends that the City Council pass a motion to:

- a) Approve the issuance of a final payment in the net Amount of \$80,745.77 to General Pump Company Inc. for the Well #15 Reconditioning Project;
- b) Formally Accept the Well #15 Reconditioning Project as Complete; and,
- c) Authorize filing of the appropriate Notice of Completion and the release of retention in the amount of \$15,593.97.

FISCAL IMPLICATION:

Budget		
2009-10 Well #15 Reconditioning Project	CIP 10838E	\$ 200,000.00
2008-09 Well #15 Reconditioning Project	CIP 10838E	\$ 60,000.00
TOTAL BUDGET		\$ 260,000.00
Recommended Progress Payment:		
Progress Payment No. 1		\$ 59,600.00
Final Payment (Recommended)		\$ 80,745.77
10% Retention		\$ 15,593.97
Total Progress Payments + Retention		\$ 155,939.74
Balance in Contract		\$ 25,600.26

BACKGROUND:

The City provides domestic water service to all businesses and residences in Manhattan Beach. Of the approximately 7,000 Acre-feet of water served in the City, approximately 16% or 1130 Acre-feet is derived from groundwater sources. The City owns and operates two wells in the City of Redondo Beach: Well 11A at the intersection Manhattan Beach Boulevard and Green Lane and Well 15 at the intersection Manhattan Beach Boulevard and Vail Avenue. The wells are located east of the City due to historical seawater intrusion into groundwater aquifers close to the ocean.

Over the past three years, the water production capacity of Well 15 has dropped from 1850 gallons per minute (gpm) to 400 gpm. The decreased production capacity was caused by degradation of the pump and well casing.

At its meeting of December 15, 2009, Council awarded a contract to General Pump Company, Inc. in the amount of \$181,540.00 for the Well #15 Reconditioning Project .

This project involved:

- Aquifer redevelopment and pump testing aimed at determining the well’s maximum production capability.
- Mechanical and/or chemical agitation of the well casing perforations and immediately adjacent aquifer to restore the well’s ability to transmit water.
- Installation of new 200 hp motor, 296 feet of column/tube/shaft assembly and a five stage pump bowl assembly.
- Restored well production capacity to 1,750 gpm.

Restoration of Well 15 has resulted in added reliability of the City to deliver water to its citizens in the event failure of either Well 11A or MWD water.

Restoration of the Well 15 from a 15% to 76% operating efficiency qualified the City for a rebate from Southern California Edison. It is anticipated the actual amount will be determined before the end of September, 2010. Staff has been provided with a preliminary rebate amount of \$51,390. The rebate effectively reduces the project cost from \$155,939.74 to \$104,549.74. Accordingly, Staff recommends that the SCE rebate be allocated to the Water Fund.

DISCUSSION:

Final Payment to General Pump Company, Inc.

The Contractor has completed the Well #15 Reconditioning Project. The Contractor has requested a final payment in the amount of \$80,745.77, and that the City formally accept the work as complete. A ten percent (10%) retention in the amount of \$15,539.97 would be released upon the expiration of 35 days after recordation of the Notice of Completion with the County Recorder. All work inspected by the Public Works Department has been found to be in conformance with the plans and specifications.

xc: Henry Mitzner, Controller
Jeanne D. O’Brien, Accountant