



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: NOVEMBER 28, 2022

SUBJECT: AWARD BID NO. RPU-7929 FOR CONSTRUCTION OF THE FISCAL YEAR 2022/23 GROUNDWATER REHABILITATION PROJECT TO GENERAL PUMP COMPANY, INC. OF SAN DIMAS, CALIFORNIA, IN THE AMOUNT OF \$1,425,290; WORK ORDER NO. 2225604 FOR THE GARNER D WELL IN THE AMOUNT OF \$802,837 AND WORK ORDER NO. 2225606 FOR THE GARNER 6 WELL IN THE AMOUNT OF \$904,163 – TOTAL PROJECT COST OF \$1,707,000

ISSUES:

Consider awarding Bid No. RPU-7929 for the construction of the Fiscal Year 2022/23 Groundwater Well Rehabilitation Project to General Pump Company, Inc., of San Dimas, California, in the amount of \$1,425,290; approve the capital expenditure for Work Order No. 2225604 for the Garner D Well in the amount of \$802,837 and Work Order No. 2225606 for the Garner 6 Well in the amount of \$904,163; total project cost \$1,707,000.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Award a construction contract for Bid No. RPU-7929 for the Fiscal Year 2022/23 Groundwater Well Rehabilitation Project to General Pump Company, Inc. of San Dimas, California, in the amount of \$1,425,290;
2. Approve the capital expenditure for Work Order No. 2225604 in the amount of \$802,837 which includes all design, construction, construction support, contract administration, inspection and construction change order authority costs for the rehabilitation of the Garner D Well;
3. Approve the capital expenditure for Work Order No. 2225606 in the amount of \$904,163 which includes all design, construction, construction support, contract administration, inspection and construction change order authority costs for the rehabilitation of the Garner 6 Well; and
4. Authorize the City Manager, or designee, to execute construction agreements and any other documents necessary to effectuate the project described herein, as well as the ability to make minor and non-substantive changes including changes to each of the work order amounts but not-to-exceed the cumulative total of \$1,707,000 and in accordance with all purchasing policies.

BACKGROUND:

The Riverside Public Utilities Department (RPU) operates and maintains over 50 active groundwater wells located throughout Riverside, Colton, and San Bernardino to supply drinking water to the City of Riverside. Over time, the water wells lose efficiency due to mineralization and scale accumulation in the perforations of the well, fluctuations in groundwater levels and loss of efficiency of mechanical equipment from normal wear and tear. As a result, groundwater wells and mechanical devices (such as pump and motor assemblies) require periodic maintenance to sustain the production and delivery of water to the City of Riverside.

DISCUSSION:

On June 21, 2013, the Board of Public Utilities (Board) approved a Professional Services Agreement with Geoscience Support Services, Inc. (Geoscience) to evaluate RPU's groundwater wells based on construction technique, physical inspection, and operational characteristics and to identify and rank the rehabilitation needs for each well. Staff utilized recommendations from the report prepared by Geoscience along with current operational data and needs to select groundwater wells to undergo rehabilitation work during Fiscal Year 2022/23. The two wells decided on are Garner D and Garner 6.

The rehabilitation work on each well is planned to be completed together to minimize operational disruptions to the water system.

The general scope of work for rehabilitating each well includes removal and inspection of the pumping equipment, repair or replacement of pumping components, as needed, adjustment of the pump depth, video surveys, mechanical and chemical cleaning, and well redevelopment work and testing.

Bid No. RPU-7929 was posted on the City's Online Bid System on September 30, 2022, and bids were opened on October 14, 2022. One construction contractor submitted a bid.

The bid for Bid No. RPU-7929 is summarized in the table below:

| Rank | Vendor | City Location | Bid Total |
|-------------|----------------------------|----------------------|------------------|
| 1. | General Pump Company, Inc. | San Dimas, CA | \$1,425,290 |

Engineer's Construction Cost Estimate: \$1,130,000

The bid received was higher than the Engineer's Construction Cost Estimate largely due to higher-than-expected costs for labor and materials, likely resulting from the regionally high demand for groundwater well projects during California's drought, inflation, and disruptions to the supply chain of manufactured goods resulting from the COVID-19 pandemic. In addition, the costs related to removing and installing the pump and motor assembly were higher than estimated. There are relatively few contractors within the region who are qualified to perform the work of this project, and the single bid received is further evidence of the high demand for groundwater well projects and the busy market conditions. The bid is believed to be consistent with current market conditions.

The project/fiscal breakdown is as follows:

| Project and Fiscal Breakdown | | W.O. No. 2225604 (Garner D) | W.O. No. 2225606 (Garner 6) | Total Project |
|-------------------------------------------------------------|-----------------------------------------------|------------------------------------|------------------------------------|----------------------|
| Work Type: | Performed By: | Amount: | Amount: | Amount: |
| Planning and Design | Internal Staff | \$14,500 | \$14,681 | \$29,181 |
| Construction | General Pump Company, Inc. | \$666,670 | \$758,620 | \$1,425,290 |
| Construction Support | Internal Staff | \$10,000 | \$10,000 | \$20,000 |
| Engineering Support, Construction Management and Inspection | Internal Staff | \$35,000 | \$35,000 | \$70,000 |
| Hydrogeologist Services | Informal Procurement, Vendor to be Determined | \$10,000 | \$10,000 | \$20,000 |
| Construction Contingencies | N/A | \$66,667 | \$75,862 | \$142,529 |
| Work Order Total: | | \$802,837 | \$904,163 | \$1,707,000 |
| Reimbursements: | None | | | |
| Anticipated Start Date: | January 2023 | | | |
| Anticipated Duration: | 3 Months | | | |

The table above identifies the parties that have performed and are expected to perform various portions of the project. Should there be a need to seek additional services using the formal procurement process, such items, more than \$50,000 will be brought before the Board for consideration and action.

To track costs, staff requests that individual work orders be assigned more accurately to each well (the asset) and that the City Manager, or designee, approves adjustments to each individual work order to reflect actual costs, so long as the cumulative total does not exceed the total project cost of \$1,707,000.

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23914.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 6 - Infrastructure, Mobility and Connectivity** and **Goal 6.2** – Maintain, protect, and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – RPU took the initiative to rehabilitate these groundwater wells which will enhance the reliability of the overall water system, demonstrating RPU’s commitment to the customers it serves and building community trust.

2. **Equity** – RPU endeavors to provide safe and reliable water service to all its customers. Since RPU's water system is an interconnected network, investments made to individual parts of the system improve the reliability of the overall system, thereby providing an equitable benefit to all customers.
3. **Fiscal Responsibility** – The lowest price for these construction services was ensured through a competitive bidding process.
4. **Innovation** – This project employs the latest technology and methods for rehabilitating groundwater wells, helping to ensure effective operation of these groundwater wells.
5. **Sustainability & Resiliency** – This project will help ensure RPU can provide reliable water service to its customers.

FISCAL IMPACT:

The total project estimate is \$1,707,000. Sufficient funds are available in the Public Utilities' Facility Rehabilitation Account No. 6230100-470803.

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|----------------------|------------------------------------------------------------|
| Prepared by: | David A. Garcia, Utilities Assistant General Manager/Water |
| Approved by: | Todd M. Corbin, Utilities General Manager |
| Approved by: | Kris Martinez, Assistant City Manager |
| Approved as to form: | Phaedra A. Norton, City Attorney |

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| Certifies availability of funds: | Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer |
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Attachments:

1. Project Site Map
2. Award Recommendation
3. Presentation