

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: OCTOBER 2, 2015

ITEM NO: 5

File ID – 15-3126 – C

SUBJECT: CONSTRUCTION OF THE THORNE WELL NO. 12 ELECTRICAL UPGRADE PROJECT – WORK ORDER NO. 1408503 FOR \$305,050

ISSUE:

The issue for Board of Public Utilities consideration is approval of a contract award for the construction of the Thorne Well No. 12 Electrical Upgrade Project, Bid No. RPU-7350.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Award a contract for the construction of the Thorne Well No. 12 Electrical Upgrade Project, Bid No. RPU-7350 to the lowest responsive bidder, Southern Contracting Company of San Marcos, California in the amount of \$79,500; and
2. Approve an additional capital expenditure of \$99,050 for Work Order No. 1408503, for a revised total of \$305,050, which includes all design, construction, contract administration, inspection and construction contingency costs for the Thorne Well No. 12 Electrical Upgrade Project, Bid No. RPU-7350.

BACKGROUND:

On November 1, 2013 the Board of Public Utilities (Board) approved the capital expenditure of \$176,000 for Work Order No. 1408503 (Work Order) to rehabilitate Thorne Well No. 12 (Thorne 12). The scope of work generally involved inspection, mechanical cleaning and redevelopment of the well. During the rehabilitation of the well, it was determined that a larger horsepower motor would improve the production capacity of the well based on current operating conditions. On February 20, 2015 the Board approved an additional capital expenditure of \$30,000 for the Work Order and awarded a contract to Tri County Pump Company to furnish and install a new motor.

A larger 400 amp electrical service and a 200 HP starter panel are necessary to operate the larger motor. In addition, with the assistance of a consultant, the electrical standards for water facilities have been updated. Upgrades to Thorne 12 include new weatherproof enclosures, a bypass switch and additional control switches and indicator lights. These electrical upgrades will complete the rehabilitation and upgrade work for Thorne 12.

Bids were opened on August 27, 2015 for Thorne 12 electrical upgrades. Southern Contracting Company submitted the lowest responsive bid. Staff has reviewed all provided documentation and has determined that Southern Contracting Company has met all of the requirements of the specifications.

The one bid received is listed in the table below:

	<u>COMPANY</u>	<u>CITY LOCATION</u>	<u>BID TOTAL</u>
1.	Southern Contracting Company	San Marcos, CA	\$79,500

► *Engineer's Construction Cost Estimate:* \$49,500

The bid received was higher than the engineer's construction cost estimate largely due to higher than expected costs for the materials and labor needed to install the motor starter panel. The small bidder pool and higher cost are attributed to the relatively small scope of work which did not generate as much interest among contractors experienced to perform the work.

The project breakdown is as follows:

Project Breakdown:	
Engineering Performed By:	RPU Engineering staff
Construction Performed By:	Southern Contracting Company
Anticipated Start Date:	November 2015
Anticipated Duration:	2 months
Coordination Required With:	<ul style="list-style-type: none"> ▪ Southern Contracting Company ▪ Southern California Edison ▪ RPU Water Operations
Reimbursements:	None

The Purchasing Services Manager concurs with the recommendations above.

FISCAL IMPACT:

The additional capital expenditure for Work Order No. 1408503 is \$99,050, for a revised total of \$305,050, as summarized in the following table:

Description	Cost	Percent of Total
Design	\$2,550	2.6%
Construction	\$79,500	80.3%
Change Order Contingencies	\$10,000	10.1%
Construction Management and Engineering Support	\$3,000	3.0%
Inspection and Geotechnical Testing	\$4,000	4.0%
(A) Additional Capital Expenditure (This Authorization)	\$99,050	100.0%
(B) Original Work Order Amount, authorized November 1, 2013	\$176,000	
(C) Additional Capital Expenditure, authorized February 20, 2015	\$30,000	
Total for all authorizations (A+B+C)	\$305,050	

Sufficient funds are available in the Public Utilities' Facility Rehabilitation Account No. 6230000-470803.

Prepared by:	Todd L. Jorgenson, Public Utilities Interim Assistant General Manager/Water
Approved by:	Girish Balachandran, Public Utilities General Manager
Approved by:	John A. Russo, City Manager
Approved as to form:	Gary G. Geuss, City Attorney
Certifies availability of funds:	Laura Chavez-Nomura, Public Utilities General Manager/Finance
Attachment:	Project Site Map