

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** NOVEMBER 27, 2017

**ITEM NO:** 8

**SUBJECT:** BID NO. RPU-7513 CONSTRUCTION OF THE FY17/18 GROUNDWATER WELL REHABILITATION PROJECT: REJECTION AS NON-RESPONSIVE OF THE BID SUBMITTED BY GENERAL PUMP COMPANY, INC. OF SAN DIMAS, CALIFORNIA, IN THE AMOUNT OF \$1,162,024; AWARD OF THE BID TO BEST DRILLING AND PUMP, INC. OF COLTON, CALIFORNIA, IN THE AMOUNT OF \$1,333,777; APPROVE WORK ORDER NO. 1727342 FOR THE GAGE 51-1 WELL IN THE AMOUNT OF \$337,000, WORK ORDER NO. 1806139 FOR THE GAGE 92-1 WELL IN THE AMOUNT OF \$413,000, WORK ORDER NO. 1806140 FOR THE GAGE 66-1 WELL IN THE AMOUNT OF \$381,000, WORK ORDER NO. 1806141 FOR THE WARREN 1 WELL IN THE AMOUNT OF \$346,000 AND WORK ORDER NO. 1806142 FOR THE GARNER C WELL IN THE AMOUNT OF \$361,000 FOR A TOTAL PROJECT COST OF \$1,838,000

**ISSUES:**

For Bid No. RPU-7513, the construction of the Well Rehabilitation Projects 2017-2018, reject as non-responsive the bid submitted by General Pump Company, Inc. of San Dimas, California, in the amount of \$1,162,024; award the bid to Best Drilling and Pump, Inc. of Colton, California, in the amount of \$1,333,777; and approve the expenditures for each of the locations: Work Order No. 1727342 for the Gage 51-1 Well in the amount of \$337,000, Work Order No. 1806139 for the Gage 92-1 Well in the amount of \$413,000, Work Order No. 1806140 for the Gage 66-1 Well in the amount of \$381,000, Work Order No. 1806141 for the Warren 1 Well in the amount of \$346,000 and Work Order No. 1806142 for the Garner C Well in the amount of \$361,000 – for a total project cost of \$1,838,000.

**RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Reject as non-responsive the bid submitted from General Pump Company, Inc. of San Dimas, California, for Bid No. RPU-7513, in the amount of \$1,162,024;
2. Award Bid No. RPU-7513 to the lowest responsive and responsible bidder, Best Drilling and Pump, Inc. of Colton, California, in the amount of \$1,333,777;
3. Approve the capital expenditure for a total project cost of \$1,838,000 which includes all design, construction, contract administration, inspection and construction contingency costs for the FY17/18 Groundwater Well Rehabilitation Project for each of the following locations and amounts:
  - a. Work Order No. 1727342 for the Gage 51-1 Well in the amount of \$337,000;
  - b. Work Order No. 1806139 for the Gage 92-1 Well in the amount of \$413,000;
  - c. Work Order No. 1806140 for the Gage 66-1 Well in the amount of \$381,000;
  - d. Work Order No. 1806141 for the Warren 1 Well in the amount of \$346,000;
  - e. Work Order No. 1806142 for the Garner C Well in the amount of \$361,000; and

4. Authorize the City Manager, or his designee, to increase or decrease the above-noted work order amounts, for a collective amount not to exceed the total project cost of \$1,838,000.

### **BACKGROUND:**

The Riverside Public Utilities Department (RPU) operates and maintains 52 active groundwater wells located throughout Riverside, Colton and San Bernardino to supply drinking water to the City of Riverside. Over time, wells lose efficiency. Most often, this drop is due to mechanical problems such as the well's gravel pack and screens becoming plugged or pumps losing efficiency due to wear and tear. Other times wells become less efficient due to large changes in groundwater levels. As a result, groundwater wells and pump assemblies require periodic maintenance and rehabilitation work.

### **DISCUSSION:**

On June 21, 2013, the RPU 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 five groundwater wells to undergo rehabilitation work during FY18/19: Gage 51-1, Gage 92-1, Gage 66-1, Warren 1 and Garner C.

The work will be conducted in three phases in order to minimize disruptions to the water system. The first phase will include the rehabilitation of two of the five wells: Gage 51-1 and Warren 1. The second phase will include rehabilitation of the next two of the five wells: Gage 66-1 and Gage 92-1. The third phase will include rehabilitation of the remaining well: Garner C. All five wells are located in the City of San Bernardino with the exception of Garner C Well, which is located within the City of Riverside.

The 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.

The contract documents allow the contractor to work during extended hours if needed to complete the work by the required deadline. As such, the inspection budget for this project is enhanced to allow for extended inspection hours.

The work will not affect service to RPU water customers.

The project was advertised for construction bids on October 5, 2017, and bids were opened on October 23, 2017. Staff has determined that the lowest bid, which was submitted by General Pump Company, Inc., is non-responsive due to the fact that the bid amounts listed for "Mobilization" for each of the 5 wells were in excess of the stipulated ten-percent cap. Consequently, the lowest responsive and responsible bid was submitted by Best Drilling and Pump, Inc. Staff has reviewed all provided documentation and has determined that Best Drilling and Pump, Inc. has met all of the requirements of the specifications.

The three bids received are summarized in the table below:

	<b><u>COMPANY</u></b>	<b><u>CITY LOCATION</u></b>	<b><u>BID TOTAL</u></b>
1.	General Pump Company, Inc. <b>(Non-Responsive)</b>	San Dimas, CA	\$1,162,024
2.	<b>Best Drilling and Pump, Inc.</b>	<b>Colton, CA</b>	<b>\$1,333,777</b>
3.	South West Pump & Drilling, Inc.	Coachella, CA	\$1,852,450

► *Engineer's Construction Cost Estimate \$1,360,000*

The Purchasing Services Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 22576.

The project breakdown is as follows:

<b>Project Breakdown:</b>	
Engineering Performed By:	RPU Engineering staff
Construction Performed By:	Best Drilling and Pump, Inc.
Anticipated Start Date:	December 2017
Anticipated Duration:	6 months
Coordination Required With:	<ul style="list-style-type: none"> <li>▪ RPU Field Forces</li> <li>▪ Gage Canal Company Field Forces</li> </ul>
Reimbursements:	None

Each well will be assigned a separate work order in order to properly account for the costs attributed to rehabilitating each well. The total capital expenditure for Work Order Nos. 1727342 (Gage 51-1 Well), 1806139 (Gage 92-1 Well), 1806140 (Gage 66-1 Well), 1806141 (Warren 1 Well) and 1806142 (Garner C Well) is estimated to be \$1,838,000 as summarized in the following table:

<b>Description</b>	<b>1727342 (Gage 51-1)</b>	<b>1806139 (Gage 92-1)</b>	<b>1806140 (Gage 66-1)</b>	<b>1806141 (Warren 1)</b>	<b>1806142 (Garner C)</b>	<b>Total</b>	<b>Percent of Total</b>
Design	\$7,892	\$8,231	\$7,923	\$8,454	\$8,385	\$40,885	2.2%
Construction (Best Drilling and Pump, Inc.)	\$238,815	\$308,550	\$279,340	\$246,592	\$260,480	\$1,333,777	72.6%
Construction Contingencies	\$20,293	\$26,219	\$23,737	\$20,954	\$22,135	\$113,338	6.2%
Field Forces Construction Support	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000	2.7%
Hydrogeologist Services	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	1.4%
Construction Management and Engineering Support	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000	4.0%
Inspection	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000	10.9%
<b>Work Order Totals</b>	<b>\$337,000</b>	<b>\$413,000</b>	<b>\$381,000</b>	<b>\$346,000</b>	<b>\$361,000</b>	<b>\$1,838,000</b>	<b>100.0%</b>

RPU's current asset management system allows staff to track the maintenance and operation costs of each asset. However, the current software tracks such costs according to individual work orders. City Charter Section 1202(b) requires the RPU Board to "Authorize, and let public works contracts in compliance with Section 1109, within the limits of the budget of the Department of Public Utilities . . . any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000 . . . ." Typically, such approval is reflected by the approval of one work order for the project.

Here, the Charter requirement is met through approval of the FY17/18 Groundwater Well Rehabilitation Project for a total project cost of \$1,838,000. In order to more accurately track costs, staff requests that

individual work orders be assigned to each well (the asset) and that the City Manager, or his designee, approve adjustments to each individual work order to reflect actual costs, so long as the cumulative total does not exceed the total project cost of \$1,838,000.

### **FISCAL IMPACT:**

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

Prepared by: Todd L. Jorgenson, Utilities Assistant General Manager/Water  
Approved by: Girish Balachandran, 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, Utilities Assistant General Manager/Finance

### **Attachments:**

1. Presentation
2. Bid Recommendation

