



Agenda Item No. \_\_\_\_\_

File Code No.

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

### Item 6

**AGENDA DATE:** December 9, 2014

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Construction Of The Alameda Park Well Relocation Project – Well Drilling And Construction

**RECOMMENDATION:** That Council:

- A. Reject the apparent low bid for construction from Yellow Jacket Drilling Services as non-responsive for the Alameda Park Well Relocation Project – Well Drilling and Construction, Bid No. 3756; and
- B. Award a contract with Zim Industries, Inc., waiving a minor irregularity, in their lowest responsive bid amount of \$1,094,725 for construction of the Alameda Park Well Relocation Project – Well Drilling and Construction, Bid No. 3756; and authorize the Public Works Director to execute the contract and approve expenditures up to \$110,000 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

### **DISCUSSION:**

#### BACKGROUND

The Alameda Park Well (Well) was constructed in 1990 and draws water from Storage Unit 1 in the Downtown area. The City relies on the Well as one of the many potable water sources meeting the needs of its customers. In the last months of 2013, corrosion of the Well's components led to excessive production of sand during pumping so that it is no longer viable for water production.

#### PROJECT DESCRIPTION

The Alameda Park Well Relocation Project – Well Drilling and Construction (Project) consists of the drilling and construction of a fully functional municipal water production well. The Project which will replace the existing Well, includes demolition of the existing Well, construction of a temporary sound wall, staging, mobilization, and drilling of the new Well.

On November 25, 2014, Council approved the City Charter Findings for the Alameda Park Groundwater Well Site, which required that an agreement between Parks and Recreation and Public Works Departments for the use of Parks land be in place prior to the beginning of construction.

#### CONTRACT BIDS

A total of 3 bids were received for the subject work, ranging as follows:

	<b>BIDDER</b>	<b>BID AMOUNT</b>
1.	Yellow Jacket Drilling Services Gilbert, AZ	\$973,750.00*
2.	Zim Industries, Inc. Fresno, CA	\$1,094,725.00
3.	Layne Christensen, Co. Redlands, CA	\$1,318,250.00

\*Bid rejected as non-responsive

The change order funding recommendation of \$110,000, or 10 percent, is typical for this type of work and size of project.

#### BID REJECTION

City contract specifications for this bid required submission of a proposed construction schedule. The apparent low bid, submitted by Yellow Jacket Drilling Services, has been determined to be non-responsive because they failed to provide the required proposed construction schedule.

The apparent second low bid of \$1,094,725, submitted by Zim Industries, Inc., is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

#### COMMUNITY OUTREACH

There are multiple methods of community outreach being performed during the construction phase of this Project. Staff sent out mailers to all residents on adjacent blocks to the construction site on November 6, 2014. Closure signs will be posted two to three weeks ahead of construction to alert residents, homeowners, and patrons of the park of the pending work. During construction, a large informational construction sign will be placed at the site.

FUNDING

This Project is funded by the Water Drought Fund, and there are sufficient appropriated funds in this Fund to cover the cost of this Project.

The following summarizes the expenditures recommended in this report:

**CONSTRUCTION CONTRACT FUNDING SUMMARY**

	<b>Basic Contract</b>	<b>Change Funds</b>	<b>Total</b>
Zim Industries, Inc.	\$1,094,725	\$110,000	\$1,204,725
<b>TOTAL RECOMMENDED AUTHORIZATION</b>			<b>\$1,204,725</b>

The following summarizes all Project design costs, construction contract funding, and other Project costs:

**ESTIMATED TOTAL PROJECT COST**

*\*Cents have been rounded to the nearest dollar in this table.*

Design (by Contract)*	\$89,836
City Staff Costs*	\$143,404
<b>Subtotal</b>	<b>\$233,240</b>
Construction Contract	\$1,094,725
Construction Change Order Allowance	\$110,000
<b>Subtotal</b>	<b>\$1,204,725</b>
Other Construction Costs (testing, etc.)	\$25,000
Construction Management/Inspection (by Contract)	\$104,664
Construction Management/Inspection (by City Staff)	\$53,934
<b>Subtotal</b>	<b>\$183,599</b>
<b>TOTAL PROJECT COST</b>	<b>\$1,531,727</b>

\* Design costs include infrastructure and site resortation to be performed under a separate contract.

**SUSTAINABILITY IMPACT:**

The City relies on groundwater as one the many potable water sources meeting the needs of its customers. The Alameda Park Well provides one of the more substantial production capacities compared to the other wells within the City.

**PREPARED BY:** Linda Sumansky, Principal Civil Engineer/AF/PM/mj

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

**APPROVED BY:** City Administrator's Office