



CITY COUNCIL AGENDA REPORT

**City of Anaheim
DEPARTMENT OF PUBLIC WORKS**

DATE: APRIL 12, 2016
FROM: DEPARTMENT OF PUBLIC WORKS
**SUBJECT: AWARD OF CONTRACT – DRILLING OF WELL NO. 59 AND
DESTRUCTION OF WELL NO. 36 (RE-BID)**

ATTACHMENT (Y/N): YES ITEM # 09

RECOMMENDATION:

That the City Council, by Motion, award the contract to the lowest responsible bidder, Best Drilling and Pump, Inc. of Colton, California, Contractor's License No: 822672, Classification C-57, in the amount of \$1,587,005, for the drilling of Well No. 59 and the decommissioning of Well No. 36; and authorize and direct the Finance Director to execute the Escrow Agreement pertaining to contract retentions.

DISCUSSION:

The bids are summarized as follows:

- 1. Best Drilling and Pump, Inc.\$ 1,587,005.00
- 2. Hydro Resources\$ 1,798,674.00
- 3. Pacific Coast Well Drilling, Inc.....\$ 1,899,999.00
- 4. Yellow Jacket Drilling\$ 2,144,699.00
- 5. Interlog Hym Engineering\$ 2,149,484.00
- 6. South West Pump and Drilling, Inc.\$ 2,416,472.00

The proposed project is to construct a new high capacity well for the City’s water system, Well No. 59, and to decommission an existing low-capacity shallow well, Well No. 36, which is at the end of its useful life. This project will enhance the reliability of the City’s groundwater supply.

The proposed new well will be located on the same parcel, 1607 South Ninth Street, and will provide groundwater to the western part of Anaheim.

Work included under this contract is the first of a two-phase project, and consists of drilling and developing the new well and properly decommissioning the old shallow well. The importance of this project is that it supplies customers with high quality water from a deeper part of the local aquifer, and improves reliability by replacing aging infrastructure. The second phase will be bid under separate contract upon completion of the first phase, and will equip the new well.

The bid price is consistent with the engineer's estimate, reflects the current bidding environment, appears to be reasonable and is within the available funding. Liquidated damages are set for \$500 per day.

This is a re-bid from July 2014 when only one bid was received for \$2,551,261. That bid was rejected.

In conformance with the California Environmental Quality Act (CEQA), an Initial Study was conducted; and it found that the proposed project would not have a significant impact on the environment; therefore, a Negative Declaration was prepared and adopted by City Council on August 12, 2014.

IMPACT ON BUDGET:

Sufficient funds for this project are budgeted in the Public Utilities Department Fiscal Year 2015/16 Water Capital Improvement Program budget.

Respectfully submitted,

Natalie Meeks
Director of Public Works

Attachments:

1. Exhibit A
2. Location Map