



AGENDA REPORT

Meeting Date: September 10, 2015
Item Number: E-7
To: Honorable Mayor & City Council
From: Mark Cuneo, City Engineer
Vincent Chee, Civil Engineer

Subject: AWARD OF A CONTRACT TO THE LOWEST RESPONSIBLE BIDDER, CASCADE DRILLING, L. P. FOR THE SHALLOW WATER WELL DRILLING PROJECT AT MAPLE YARD (JOB NO. 10106) WITHIN THE CITY OF BEVERLY HILLS, CALIFORNIA, IN THE AMOUNT OF \$929,532; APPROVAL OF THE PLANS AND SPECIFICATIONS THEREFOR; AND

APPROVAL OF ISSUANCE OF A PURCHASE ORDER IN THE AMOUNT OF \$1,069,000 TO CASCADE DRILLING, L. P. FOR THE PROJECT

Attachments:

1. Agreement with Cascade Drilling, L. P.
2. Project Location
3. Class 32 Exemption Report

RECOMMENDATION

Staff recommends the City Council move to approve the award of a contract to the lowest responsible bidder, Cascade Drilling, L. P. for the drilling of two shallow water wells on City owned property at 342 Foothill Road within the City of Beverly Hills in the amount of \$929,532; approve the plans and specifications which are adopted and approved with respect to design criteria; approve a construction contingency of 15% in the amount of \$139,468 and delegate the authority to approve change orders to the Director of Capital Assets; and approve the issuance of a purchase order to Cascade Drilling L. P. in the amount of \$1,069,000.

INTRODUCTION

The City desires to explore the development of shallow groundwater near the existing water treatment plant to augment the City's potable water supply. This report is a request for City Council to award a contract to Cascade Drilling L. P. for the drilling of two wells at Maple Yard within the City of Beverly Hills. The plans and specifications for the Project, dated June 2015, were prepared by Tetra Tech, Inc. and approved by Civil Engineering staff.

DISCUSSION

The City retained Richard C. Slade & Associates, LLC, to prepare a Hydrogeological Feasibility Study and Preliminary Design Report for the development of shallow groundwater near the City of Beverly Hill's Reverse Osmosis Water Treatment Plant. The conclusion of that report suggested that it is considered hydrogeologically feasible, though somewhat risky, for the City to attempt to drill and construct new, shallow municipal-supply water wells in the study area.

On January 13, 2015, the Beverly Hills City Council awarded a contract to Tetra Tech, Inc. for the design of two shallow water wells based on the findings outlined in the 2009 Slade report. Tetra Tech, Inc. performed the engineering analysis and determined that the easterly end of Maple Yard (see Attachment 2 – Project Location) is a suitable site for installation of two wells. Tetra Tech, Inc. prepared the construction plans and the preliminary alignment of the well water conveyance system to the Water Treatment Plant. The conveyance system would utilize the existing street right-of-way along Alden Drive and Foothill Road. The construction plans and well drilling specifications were completed in June, 2015.

A Notice to Bidders was published in the Beverly Hills Courier on July 3, 2015 and the Beverly Hills Weekly on July 7, 2015. Additionally, the Notice to Bidders was provided to several online industry advertisers and posted on the City's website. On July 30, 2015, three bids were received and publicly opened in the City Clerk's Office. Bid results were as follows:

BC2 Environmental, Inc.	\$ 691,290
Cascade Drilling, L. P.	\$ 929,532
Yellow Jacket Drilling Services	\$1,072,123

The Engineer's construction estimate prepared by Tetra Tech, Inc. was \$850,000.

Staff tabulated and reviewed all submitted bids to determine the lowest responsible bidder. The bid submitted by BC2 Environmental was determined to be non-responsive by the staff of the Capital Assets Department and the City Attorney's Office as it did not materially comply with the requirements of the bidding documents. Staff is recommending that the contract be awarded to Cascade Drilling, L. P.

Cascade Drilling has positive references and has successfully installed water supply wells for several municipal water supply districts and agencies. The construction work for this project is scheduled to be completed within 65 working days (approximately 3 months) of the issuance of the notice to proceed. Upon completion, staff will begin a well testing and permitting phase in conjunction with the State Water Resources Control Board – Division of Drinking Water (DDW). The City's existing Domestic Water Supply permit must be amended by DDW prior to using shallow groundwater for potable water

supply. The well testing process is anticipated to take a minimum of one year. Depending on the water quality testing results, the City may be required to provide additional water treatment processes or take other measures to assure the delivery of safe drinking water from this source.

ENVIRONMENTAL ASSESSMENT

The Project is categorically exempt from the California Environmental Quality Act per the Class 32 Exemption Report (Attachment 3).

FISCAL IMPACT

A construction contingency allowance in the amount of \$139,468 has been included in the total purchase order amount of \$1,069,000. Any change orders that require expenditures from this allowance shall be made only upon written request in accordance with the Municipal Code §3-3-111 regarding change orders.

Funds for this project are budgeted in the capital improvement program as follows:

ACCOUNT NUMBER	FUND DESCRIPTION	AMOUNT
80006002-850000-0916	Water Enterprise Fund	\$ 1,069,000.00
	TOTALS	\$ 1,069,000.00

David E. Lightner
Approved By

