



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
September 20, 2022

TOPIC: Well No. 29 Improvements Project

AGENDA TITLE

Approve an Appropriation Adjustment and Award a Construction Contract to Environmental Construction, Inc. for the Well No. 29 Improvements Project in the Amount of \$6,765,290, with an Estimated Project Delivery Cost of \$8,456,612 (Project No. 18-6491) (Non-General Fund)

RECOMMENDED ACTION

1. Approve an appropriation adjustment to recognize \$2,502,612 of prior-year fund balance in the Water Fund, Public Works Water Revenue, Prior Year Carryforward revenue account and appropriate the same amount to the Acquisition & Construction, Water Utility Capital Projects, Water Capital Project expenditure account. (*Requires five affirmative votes*)
2. Award a construction contract to Environmental Construction Inc., the lowest responsible bidder, in accordance with the base bid in the amount of \$6,765,290, for construction of the Well No. 29 Improvements Project, for the term beginning September 20, 2022, and ending upon project completion, and authorize the City Manager to execute the contract subject to non-substantive changes approved by the City Manager and the City Attorney.
3. Approve the Project Cost Analysis for a total estimated construction delivery cost of \$8,456,612, which includes \$6,765,290 for the construction contract, \$676,529 for contract administration, inspection and testing, and a \$1,014,793 project contingency for unanticipated or unforeseen work.
4. Approve an amendment to the FY 2022-23 Capital Improvement Program to include \$2,502,612 in construction funds for the Well No. 29 Improvement Project (Project No. 18-6491).

DISCUSSION

The Public Works Agency's Water Resources Division oversees and maintains the daily operations of the City's water and sanitary sewer systems. The water system is composed of approximately 480 miles of water main, 21 groundwater wells, seven pump stations,

10 reservoirs with a storage capacity of 49 million gallons, four pressure-regulating stations, and seven connection points to the Metropolitan Water District. The system has an average daily demand of 30 million gallons from its roughly 45,000 service connections.

Due to the age of the existing Well 29 infrastructure and equipment, the well's capacity to produce water has been significantly reduced. The proposed rehabilitation project will ensure that the City of Santa Ana continues to provide safe drinking water and to meet the demands of the Santa Ana community.

The Well No. 29 Improvements Project includes the demolition of existing assets and installation of a new pump, motor, and piping at the Well 29 site. Additionally, the project will construct new well discharge pipelines, a new 42' x 26' masonry building to house the well motor, pump, instrumentation, electrical equipment, lighting, and ventilation. The project will also improve the surrounding area through the construction of a masonry perimeter wall to secure the site, installation of a new electronic sign to inform residents of City programs and events, and rehabilitation of the existing adjacent City tennis courts.

Public Outreach and Contractor Participation

To provide an opportunity for local vendors to submit bids, the City notified a total of 250 regional vendors via PlanetBids, many of which are Santa Ana based. Two vendors requested bidding documents, and a total of two bids were received. Bids were not received from any Santa Ana contractors.

As legally required, a Notice Inviting Bids was advertised in the Orange County Register newspaper on February 4 and February 5, of 2022. The project was also advertised in PlanetBids from January 29, 2022 through April 19, 2022. Bids were received electronically via PlanetBids on April 19, 2022.

Bid Results Summary

RANK	BIDDER'S NAME	LOCATION	BASE BID
1	Environmental Construction Inc.	Woodland Hills	\$6,765,290
2	Innovative Construction Solutions	Costa Mesa	\$7,270,424

A total of two bids were received, and both were deemed responsive. Environmental Construction Inc. submitted the lowest responsive base bid in the amount of \$6,765,290 (Exhibit 2). As specified in the bid documents, the lowest bid shall be determined on the basis of the Base Bid. Based on the bid analysis and a contractor's reference check, staff recommends awarding the construction contract to Environmental Construction Inc. in the amount of the base bid totaling \$6,765,290 (Exhibit 3). Environmental Construction has not performed work in the City of Santa Ana in the last five years.

Project Delivery

To deliver a complete project, in addition to the construction contract, the estimated total project delivery cost includes construction administration, inspection, and testing, along with an allowance for contingencies to account for unexpected or unforeseen conditions. Construction administration and inspection includes the following: construction management; implementation of the City’s Community Workforce Agreement requirements; inspection of the Contractor’s work to ensure contract compliance, workmanship, and quality; and materials testing. As indicated in the Cost Analysis (Exhibit 4) and as summarized in the table below, the estimated total construction delivery cost of the project is \$8,456,612.

Project Item	Total
Construction Contract	\$6,765,290
Construction Administration, Inspection, Testing	\$676,529
Contingencies	\$1,014,793
TOTAL CONSTRUCTION DELIVERY COST	\$8,456,612

Approval of this item will amend the FY 2022-23 Capital Improvement Program to include the Well No. 29 Improvement Project (Exhibit 5).

ENVIRONMENTAL IMPACT

In accordance with the California Environmental Quality Act, a Mitigated Negative Declaration was prepared for the project and was filed with the document number 202285000107.

FISCAL IMPACT

As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$8,456,612 which includes construction, contract administration, inspection, testing, and an authorized contingency.

Approval of the requested Appropriation Adjustment will recognize \$2,502,612 from prior year fund balance in the Water Fund, Public Works Water Revenue, Prior Year Carryforward account (No. 06017002-50001) and appropriate the same amount to the Acquisition & Construction, Water Utility Capital Projects, Water Capital Project expenditure account (No. 06617647-66301).

The following table summarizes the funds budgeted and available for expenditure to deliver construction of this project. Any remaining balances not expended at the end of the fiscal year will be carried forward for expenditure in the following fiscal year, if needed.

Fiscal Year	Accounting Unit - Account No. (Project No.)	Fund Description	Accounting Unit - Account No. Description	Amount
Appropriation Adjustment				
2022-23	06617647-66301 (18-6491)	Acquisition & Construction	Water Utility Capital Projects, Water Capital Project	\$2,502,612
Existing Project Budget				
2022-23	06617647-66301 (18-6491)	Acquisition & Construction	Water Utility Capital Projects, Water Capital Project	\$5,954,000
Total				\$8,456,612

EXHIBIT(S)

1. Location Map
2. Bid Proposal
3. Construction Contract
4. Cost Analysis
5. CIP Project Sheet

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager