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May 6, 2021

TO: LOCSD Board of Directors

FROM: Ron Munds, General Manager

SUBJECT: **Agenda Item 6G – 05/06/2021 Board Meeting**
Authorize a Formal Bid Process and Executing a Related Contract for the 8th Street Upper Aquifer Well Project

DESCRIPTION

This Project will equip an upper aquifer well, which was drilled in December 2016, with appurtenances to pump and connect to the water distribution system. This project was identified and approved in the 2020-21 Capital Project budget with an estimated project construction cost of $315,824 and did not include project support services and contingencies. This report summarizes the actions needed to move the project forward.

STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board:
1. *Authorize a formal bid process for the 8th Street Upper Aquifer Well Project; and*
2. *Set the date for receipt of Construction Bids as July 7, 2021; and*
3. *Authorize the General Manager to execute a contract amendment with MNS Engineering, for bid phase and engineering support during construction services in the amount of $24,221; and*
4. *Authorize the General Manager to execute the related contract if the lowest responsive bid is deemed a reasonable bid, and close to the Engineer's Estimate of $310,000; and*
5. *Approve an increase of the project's budget to $366,441.*

DISCUSSION

The 8th Street Upper Aquifer Well project was recommended in the Basin Plan as a Program A Basin Infrastructure Project, which is intended to reduce sea water intrusion by increasing production from the upper aquifer (Zone C). The implementation of the project was delayed when it qualified for IRWM grant funds through the Department of Water Resources. Earlier this year, staff was given the go ahead by the state and county to proceed with the project even though the grant agreement for approximately $240,000 has not been signed. Since this is a very important infrastructure project that is recommended in the Basin Plan, staff believes construction should begin as soon as possible with or without the grant funding officially in place.

Because of the lag time between project design and cost estimations, staff needed to revisit the previous work and request an update of the cost estimation in order to proceed to the invitation to bid phase. MNS Engineering, the firm that provided the original design services, has provided this information needed to proceed.

FINANCIAL IMPACT

The overall Project cost will include contracted professional services and construction costs. As mentioned, this project was identified in the 2020-2021 budget and Capital Improvement Project Plan which was approved by the Board June 4, 2020; the current revised budget is $366,441. To reiterate, the request to increase the project budget is a result of the lag time to proceed with this phase of the project.

If the lowest responsive bid is over the estimated project cost, or not deemed a reasonable bid, staff will return to the Board with the results and an alternative recommended action to move the project forward. The project overall costs are summarized as follows:

Estimated Project Cost Summary	
Activity	**Cost**
Engineering Support During Bidding/Construction	$24,221
Construction	$310,000
Total	**$334,221**
Recommended 5% Construction Contingency	$16,720
District Engineer Support	$12,500
Permits	$3,000
Total Estimated Cost	**$366,441**

Attachments
Invitation to Bid Package
MNS Engineering Support Services Contract Amendment