



AGENDA REPORT

CITY OF SAN CLEMENTE

City Council Meeting

910 Calle Negocio
2nd Floor
San Clemente, California
www.san-clemente.org

Meeting Date: 10/18/2022

Agenda Item: 41

Department: Utilities

Prepared By: David Rebensdorf, Utilities Director

Subject:

CONSTRUCTION CONTRACT AWARD TO JENNETTE COMPANY, INC. FOR WATER RECLAMATION PLANT (WRP) SODIUM HYPOCHLORITE TANK REPLACEMENT, PROJECT NO. 23405.

Fiscal Impact:

Yes. The original approved project budget is \$350,000 from the Water Fund Depreciation Reserve. The estimated total project cost for this project is \$484,825. A supplemental appropriation is recommended in the amount of \$134,825 from the Water Fund Depreciation Reserve to account number 052-466-43420-000-23405 to complete the project.

Summary:

Staff recommends approval of a construction contract with Jennette Company, Inc., in the amount of \$394,614 for the WRP Sodium Hypochlorite Tank Replacement.

Background:

Sodium Hypochlorite liquid, with a concentration of 12.5%, is stored in a tank at the Water Reclamation Plant (WRP) and is used for tertiary treatment prior to distribution of recycled water to City customers. The existing double wall fiberglass Sodium Hypochlorite storage tank was installed as part of the WRP Recycled Water Expansion Project, but has been subject to leaks and is at the end of its useful life. Currently, a rental storage tank placed in a temporary containment area with temporary piping is being used to disinfect recycled water at the WRP.

To maintain proper storage of chemicals meeting regulatory requirements and maintain recycled water service, MBF Consulting prepared plans and specifications to replace the storage tank with two High Density Polyethylene (HDPE) storage tanks, piping, and a concrete wall that surrounds both tanks to provide a more reliable method of containment. Use of two storage tanks provides staff the ability to order and store bulk material in a timely manner when one of the tanks runs out of Sodium Hypochlorite. This will improve operations and provide additional storage needed for future production of recycled water upon completion of the Advanced Water Treatment Facility.

Discussion:

The Sodium Hypochlorite Tank Replacement Project was advertised for public bidding on Planet Bids and eight electronic bids were received on August 16, 2022. The result from the bid opening is presented in the attached Bidder's Listing. The lowest responsive and responsible base bid of \$394,614 was received from Jennette Company, Inc.

The project was budgeted for \$350,000 from the Water Fund Depreciation Reserve. To realize

construction of the project, a supplemental appropriation in the amount of \$134,825 is required. The increase in project costs are due to addition of the second storage tank for additional storage as described above and recent increases in material and labor costs due to inflation and lack of available materials.

Based on the low bid, project costs are estimated as follows:

Administration, and Engineering Design	\$ 24,250
Construction Management and Inspection	26,500
Construction	394,614
Construction Contingency (approx. 10%)	<u>39,461</u>
Total Estimated Project Cost	\$ 484,825

As required by City Policy and State Law, the contractor will be required to provide performance and payment bonds simultaneously with execution of the construction contract. A warranty bond will also be required prior to City Council acceptance of the project.

Plan and Policy Consistency:

The project is consistent with the following General Plan Goals and Policies:

- Goal: Maintain and improve a comprehensive system of potable water supply, storage and distribution, and wastewater treatment, reclamation, and reuse to meet daily and emergency needs in San Clemente.
- Policy: PSFU-5.10. Wastewater System. We provide and maintain a system of wastewater collection and treatment facilities to adequately convey and treat wastewater generated in the City of San Clemente service area.

Council Strategy:

The project is consistent with Council Strategy 3 - Update and maintain infrastructure that reflects best available technology and service - in that the project replaces a tank at the end of its useful life and implements an alternate tank to increase the life expectancy of the replaced asset.

Recommended Actions:

Staff Recommendation

Staff Recommends that the City Council:

1. Approve the Plans and Specifications for WRP Sodium Hypochlorite Tank Replacement, Project No. 23405.
2. Approve a supplemental appropriation in the amount of \$134,825 to Account No. 052-466-43420-000-23405 from the Water Fund Depreciation Reserve.
3. Approve and authorize the Utilities Director to execute, Contract _____, by and between the City of San Clemente and Jennette Company, Inc., providing for the WRP Sodium Hypochlorite Tank Replacement, in the amount of \$394,614.

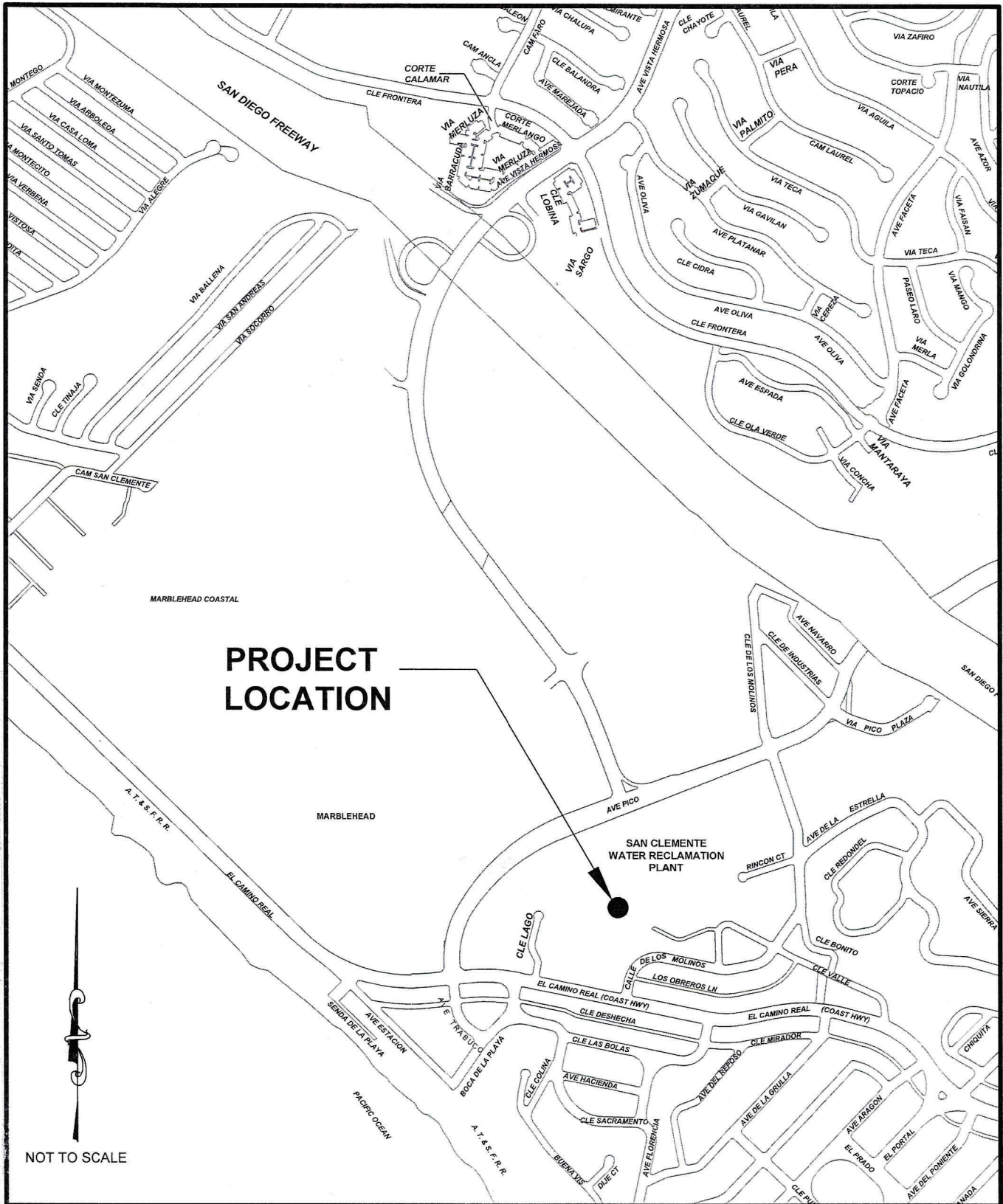
Attachment:

1. Location Map

2. Bidder's Listing
3. Contract without attachments

Notification:

None.



**PROJECT
LOCATION**

**SAN CLEMENTE
WATER RECLAMATION
PLANT**

NOT TO SCALE



City of San Clemente

910 Calle Negocio, Suite 100
San Clemente, CA 92673
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LOCATION MAP

**WRP
SODIUM HYPOCHLORITE TANK
REPLACEMENT
PN 23405**

BIDDER'S LISTING

Attachment 2

BID OPEN TIME: 2:00 PM

BID OPEN DATE: 08/16/2022

PRESENT: Electronic Bid (Planet Bids)

Subject: Bid Opening

Project: WRP Sodium Hypochlorite Tank Replacement – Project 23405

No. of Bids: 8

	Company Information	Bid Bond, Etc.	City Bidder is from	Addendums	Amount
1	Jennette Company Inc.	√	San Diego		\$394,614.00
2	Tharsos Inc.	√	La Mesa		\$439,000.00
3	RE Chaffee Construction Inc	√	Wrightwood		\$447,520.00
4	Spiess Construction Co., Inc.	√	Santa Maria		\$476,470.00
5	Vicon Enterprise Inc	√	Anaheim		\$522,000.00
6	Houalla Enterprises, Ltd.	√	Newport Beach		\$561,521.00
7	Ferreira Construction Co, Inc	√	Rancho Cucamonga		\$567,132.00
8	C E WATERBURY CORPORATION, INC	√	Corona		\$583,980.00

**SECTION 00500
CONTRACT**

THIS CONTRACT is made this ____ day of _____, 2022, in the County of Orange, State of California, by and between the City of San Clemente hereinafter called City, and **JENNETTE COMPANY, INC**, hereinafter called Contractor. City and the Contractor for the considerations stated herein agree as follows:

ARTICLE 1. SCOPE OF WORK. The Contractor shall perform all Work within the time stipulated the contract and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5 below for the following Project:

WRP SODIUM HYPOCHLORITE TANK REPLACEMENT, PROJECT No. 23405

The Contractor and its surety shall be liable to City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION. The Work shall be commenced on the date stated in City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within 25 working days from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE. City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Three Hundred Ninety Four Thousand Six Hundred and Fourteen Dollars (\$394,614)**. Payment shall be made as set forth in the General Conditions.

At any time during the term of the Contract, City may, pursuant to the terms and provisions of the Contract Documents, request that the Contractor perform additional work. Contractor shall not perform, nor be compensated for, additional work without written authorization from the City pursuant to the terms and provisions of the Contract Documents.

ARTICLE 4. LIQUIDATED DAMAGES/EARLY COMPLETION INCENTIVE. In accordance with Government Code section 53069.85, it is agreed that the Contractor will pay City the sum of \$500 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event that Liquidated Damages are not paid, the Contractor agrees City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Article does not exclude recovery of other damages specified in the Contract Documents.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT. The "Contract Documents" include the following:

- Notice Inviting Bids
- Instructions to Bidders
- Bid Form

SECTION 00500
CONTRACT

Contractor's Certificate Regarding Workers' Compensation
Bid Bond
Designation of Subcontractors
Information Required of Bidders
Non-Collusion Declaration form
Iran Contracting Act Certification
Public Works Contractor Registration Certification
Contract
Performance Bond
Payment Bond
General Conditions
Special Conditions
Technical Specifications
Addenda
Plans and Drawings
Approved and fully executed change orders
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW. Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Project.

ARTICLE 7. INDEMNIFICATION. Contractor shall provide indemnification as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES. Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at City Clerk Office or may be obtained online at <http://www.dir.ca.gov/dlsr>. and which must be posted at the job site.

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the respective dates set forth opposite of their signatures.

CITY OF SAN CLEMENTE

By: _____

Its: _____

Dated: _____, 20__

ATTEST:

CITY CLERK of the City of
San Clemente, California

**APPROVED AS TO FORM:
BEST BEST & KRIEGER**

City Attorney

**APPROVED AS TO AVAILABILITY
OF FUNDING:**

Finance Authorization

Jennette Company, Inc.
("CONTRACTOR")

By: _____

Its: _____

Dated: _____, 20__

END OF CONTRACT