



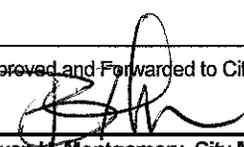
Agenda Date: 06/23/2015

Agenda Item: 3.8

STAFF REPORT

Date: Tuesday, June 23, 2015
To: Bryan H. Montgomery, City Manager
From: Kevin Rohani, P.E. Public Works Director/ City Engineer

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

SUBJECT: Terminate the Construction Contract with K. Dejesus Pump & Well Drilling, Inc. and award a Construction Contract to Martell Water Systems, Inc. for the Cypress Grove Irrigation Well Project – CIP 148

Background and Analysis

The Cypress Grove Subdivision is a community of 540 single family homes that was constructed along East Cypress Road nearly 10 years ago. As part of this project a storm water pond was constructed to provide irrigation water for parks and other public area landscaping in this subdivision.

The system to pump water from this pond for irrigation purposes has not functioned properly over the years; and despite many attempts to solve the technical issues and replacing of the pumps and filters, the problem with organic materials damaging the irrigation system as continued. After detailed analysis, the final determination has been made to abandon the concept of providing irrigation water from the pond and to construct an irrigation well on the site. This approach would provide clean and clear water that can be used for the irrigation of the park and its landscaping.

The project plans and specifications were prepared and advertised for the construction of this irrigation well. On April 14, 2015, the City Council at its regular meeting awarded a construction contract to K. Dejesus Pump & Well Drilling, Inc. in amount of \$211,755, to construct a well for irrigation of Cypress Grove Park and its landscaped areas. Since the time of award of this contract, K. Dejesus Pump & Well Drilling, Inc. has not been responsive to all staff outreach to start the project. Despite many attempts to communicate with this company, there has been no response. K. Dejesus Pump & Well Drilling, Inc. has not adhered to the terms of the agreement with the City of Oakley and is in breach of contract.

Staff had contacted the second bidder of this project, Martell Water Systems, Inc. to see if they were interested and have the time to construct this project. Martell Water Systems, Inc. informed staff that they are interested in constructing this well for the City without delays. Staff has had meetings with Martell Water Systems, Inc. and has finalized the cost of the project at \$240,000 and affirmed all details.

Fiscal Impact

Approval of this item will obligate approximately \$240,000 in the CFD # 1 – Cypress funds for the construction of this project.

Staff Recommendation

Staff recommends that the City Council adopt the resolution terminating the construction agreement with K. Dejesus Pump & Well Drilling, Inc. and awarding a contract to Martell Water Systems, Inc. for an amount not to exceed \$240,000 and authorizing the City Manager to execute said agreement.

Additionally, due to variables associated with construction projects and to address unforeseen circumstances during the course of construction, staff further recommends that the City Council authorize staff to execute future change orders to the construction contract as necessary, in an amount not to exceed \$10,000 for work beyond what is defined in the base bid project.

Attachments

- 1) Resolution

RESOLUTION NO. __-15

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY
APPROVING A TERMINATION OF AGREEMENT WITH K. DEJESUS PUMP &
WELL DRILLING, INC. AND AWARDING A CONTRACT TO MARTELL
WATER SYSTEMS, INC. FOR THE CONSTRUCTION OF THE CYPRESS
GROVE IRRIGATION WELL PROJECT – CIP 148**

WHEREAS, the Cypress Grove subdivisions were constructed in 2004 and included the construction of various infrastructure items including a storm water pond; and

WHEREAS, on April 14, 2015, the City Council awarded a construction contract to K. Dejesus Pump & Well Drilling, Inc. for construction of an irrigation well next to Cypress Grove pond which is critical for the irrigation of the park and landscaped areas; and

WHEREAS, over the past two months K. Dejesus Pump & Well Drilling, Inc. have not performed any work and have not been responsive to all inquiries from the City and is in breach of contract; and

WHEREAS, the second bidder on this project, Martell Water Systems, Inc. has informed staff that they are still interested and will be able to construct this project without delay.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Oakley that the Agreement with K. Dejesus Pump & Well Drilling, Inc. is terminated and the Agreement with Martell Water Systems, Inc. for the construction of the Cypress Grove Irrigation Well Project – CIP 148 for an amount not to exceed \$240,000 is approved, and the City Manager is authorized to execute said Agreement.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the 23rd of June, 2015 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

Doug Hardcastle, Mayor

ATTEST:

Libby Vreonis, City Clerk

Date