



AGENDA STAFF REPORT

DATE: April 12, 2021

TO: Honorable Mayor and City Council

THRU: Jill R. Ingram, City Manager

FROM: Steve Myrter, P.E., Director of Public Works

SUBJECT: **Awarding and Authorizing Execution of a Public Works Agreement with J&L Constructors, Inc. for the Navy Reservoir External Cathodic Protection System Improvements, CIP WT2107**

SUMMARY OF REQUEST:

That the City Council adopt Resolution 7134:

1. Approving plans, specifications, and contract documents for the Navy Reservoir External Cathodic Protection System Improvements, CIP WT2107; and,
2. Approving and awarding a public works agreement to J&L Constructors, Inc., in the amount of \$59,900, waiving minor bid irregularities, and rejecting all other bids; and,
3. Authorizing the City Manager to execute the public works agreement for the Navy Reservoir External Cathodic Protection System Improvements to J&L Constructors, Inc.; and,
4. Authorizing the City Manager to approve additional work requests up to \$10,000 and inspection services up to \$10,100 in connection with the Project, in the cumulative not-to-exceed amount of \$80,000; and,
5. Approving Budget Amendment BA 21-10-01 in the amount of \$80,000 for the Navy Reservoir External Cathodic Protection System Improvements, CIP WT2107.

BACKGROUND AND ANALYSIS:

The City's three (3) million gallon above-ground reservoir located at the Seal Beach Naval Weapons Station was built in 1963. Given its metal construction and the surrounding marine environment, the reservoir is susceptible to corrosion. Cathodic protection is generally used to combat these situations, a technique that

utilizes a sacrificial metal to attract corrosion, hence, protecting the reservoir's metal surface.

The Navy Reservoir cathodic protection system was installed in 2006; however, recent assessments recommend system upgrades. As such, the Navy Reservoir External Cathodic Protection System Improvements (WT2107) was prepared.

On March 10, 2021, the City Clerk's office received four (4) bids with the following results:

| Rank | Contractor | Total Base Bid |
|-------------|--|-----------------------|
| Low | J&L Constructors, Inc. | \$ 59,900.00 |
| 2 | Farwest Corrosion Control Company | \$ 62,490.00 |
| 3 | Kay Construction Co. | \$ 66,050.00 |
| 4 | Minako America Corporation dba Minco Construction | \$ 137,000.00 |

Based upon the references, qualifications, work experience, and cost, staff recommends deeming J&L Constructors, Inc. as the lowest responsive bidder at \$59,900, and awarding the Navy Reservoir External Cathodic Protection System Improvements construction contract to J&L Constructors, Inc. The project plans are available in the City Engineer's office.

Staff further recommends authorizing the City Manager to approve additional work requests up to \$10,100 and inspection services up to \$10,000, in the cumulative not-to-exceed amount of \$80,000 for all services performed under the Agreement.

As the finalization of the assessment was subsequent to the adoption of the FY 2020-2021 budget, this work was not included in the original Capital Improvement Program. The Navy Reservoir plays an integral role in the City's water system; therefore, staff recommends adopting BA 21-10-01 allocating \$80,000 this fiscal year, versus programming this effort into the FY 2021-2022 budget.

ENVIRONMENTAL IMPACT:

This project complies with all requirements of the California Environmental Quality Act (CEQA) and is categorically exempt under section 15301 (c) of the CEQA Guidelines.

LEGAL ANALYSIS:

The City Attorney has reviewed the agreement and approved the resolution as to form.

FINANCIAL IMPACT:

The Navy Reservoir External Cathodic Protection Systems Improvement, WT2107, was identified subsequent to the FY 2020-2021 adopted budget. As such, Budget Amendment BA 21-10-01 will allocate \$80,000 for the Project using available fund balance as follows:

| Description | Account | Revised/ Adopted Budget | Proposed Budget | Budget Amendment |
|--|--|-------------------------------|--------------------|---------------------|
| Water Fund - Capital Project Expenditures | 019-950-49605 CIP Project WT2107 | - | \$ 80,000 | \$ 80,000 |

The table below presents the estimated breakdown of the Project’s construction cost:

| Description | Amount |
|--------------------|------------------|
| Construction | \$ 59,900 |
| Contingency | \$ 10,100 |
| Inspection/Testing | \$ 10,000 |
| Total | \$ 80,000 |

Upon completion of the construction contract, any unspent funds remaining from this project will be returned to the original funding source.

STRATEGIC PLAN:

This item is not applicable to the Strategic Plan.

MEASURE BB:

This item is not applicable to Measure BB, the Seal Beach Neighborhood and Essential Services Protection Measure.

RECOMMENDATION:

That the City Council adopt Resolution 7134:

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2. Approving and awarding a public works agreement to J&L Constructors, Inc., in the amount of \$59,900, waiving minor bid irregularities, and rejecting all other bids; and,
3. Authorizing the City Manager to execute the public works agreement for the Navy Reservoir External Cathodic Protection System Improvements to J&L Constructors, Inc.; and,
4. Authorizing the City Manager to approve additional work requests up to \$10,000 and inspection services up to \$10,100 in connection with the Project, in the cumulative not-to-exceed amount of \$80,000; and,
5. Approving Budget Amendment BA 21-10-01 in the amount of \$80,000 for the Navy Reservoir External Cathodic Protection System Improvements, CIP WT2107.

SUBMITTED BY:

Steve Myrter

Steve Myrter, P.E., Director of
Public Works

NOTED AND APPROVED:

Jill R. Ingram

Jill R. Ingram, City Manager

Prepared by: Iris Lee, Deputy Public Works Director/City Engineer

ATTACHMENTS:

- A. Resolution 7134
- B. Agreement with J&L Constructors, Inc.