



# City of Huntington Beach

**File #:** 20-1982

**MEETING DATE:** 11/16/2020

## REQUEST FOR CITY COUNCIL ACTION

**SUBMITTED TO:** Honorable Mayor and City Council Members

**SUBMITTED BY:** Oliver Chi, City Manager

**PREPARED BY:** Sean Crumby, Director of Public Works

**Subject:**

**Approve an increase in contingency for the Water Well No. 1A, Replacement Project of Well No. 1, CC-1495 by allocating additional funds of \$270,000**

**Statement of Issue:**

On May 21, 2018, the Huntington Beach City Council approved the expenditure of \$4,500,000 to construct Water Well No. 1A, Replacement Project of Well No. 1, CC-1495. The well project was completed, but within the first few months of operation, the well started to produce sand in the pumped well water. This sand must be removed from the water prior to entering the City's water distribution system. In order to return this well to service de-sanding equipment will need to be installed. An additional \$270,000 is needed above the original contingency amount, increasing the contingency from 10% to 17% for the new equipment.

**Financial Impact:**

Funds in the amount of \$107,333.04 are presently encumbered for the completion of the project by Pacific Hydrotech Corporation. The additional contingency funds (\$270,000) are in the project budget in Master Plan Fund Account No. 50791030.82100.

**Recommended Action:**

Approve an increase in contingency for the Water Well No. 1A, Replacement Project of Well No. 1, CC-1495, from ten percent (10%) to seventeen percent (17%), allocating an additional \$270,000.

**Alternative Action(s):**

Reject the increase in contingency, and provide staff with alternative direction.

**Analysis:**

On May 21, 2018, the Huntington Beach City Council approved the expenditure of \$4,500,000 to construct Water Well No. 1A, Replacement Project of Well No. 1, CC-1495. On May 4, 2020, the City began using this newly-constructed well. The well passed all the water quality requirements and was incorporated into the City's potable water system. After approximately two months of operation, Well 1A began to produce sand at concentration levels above City standards. City staff consulted with the

project Geohydrologist, and attempted to stop the migration of sand with pumping techniques, which was unsuccessful.

The project Geohydrologist and staff are recommending the installation of de-sander equipment for this facility. Although de-sanding equipment is commonly installed with wells, they have not been necessary at other wells within Huntington Beach, and were not recommended during the site investigation for this well. As such, the construction of Well 1A did not originally include de-sanding equipment.

The de-sander addition has been designed, and a change order in the amount of \$330,000 is ready to move the construction forward and allow the well to return to service, helping to ensure the City's water supply needs are met. Funds in the amount of \$107,333.04 remain from the original project contingency. An increase of \$270,000 will allow the change order to be funded.

The cost of the change order is in alignment with expected cost. Pacific Hydrotech Corporation's workmanship for the original scope of services has been of high quality. The cost of this additional work exceeds the original ten percent (10%) contingency approved for the project and, therefore, City Council action is required to expend the additional funds. Since the original scope of services for this project was completed, the City will partially release retention for the original scope of services, but continue to retain fund for the change order for the de-sander equipment.

**Environmental Status:**

The project is categorically exempt pursuant to Class 1(b), Section 15301 of the California Environmental Quality Act.

**Strategic Plan Goal:**

Enhance and maintain infrastructure

**Attachment(s):**

1. Project Location Map, CC-1495
2. Request For Council Action for Water Well No. 1A, Replacement Project of Well No. 1, CC-1495, May 21, 2018, Dept. ID 18-030