



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA09-073**

1. Agenda Item Number:
27
2. Council Meeting Date:
September 25, 2008

TO: MAYOR & COUNCIL

3. Date Prepared: September 8, 2008

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Award a project agreement to Layne Christensen Co. for Ocotillo Aquifer Storage and Recovery (ASR) Wells 5 & 6 Drilling, Project No. WW0807-401, in an amount not to exceed \$886,285.

6. RECOMMENDATION: Staff recommends Council award a project agreement to Layne Christensen Co. for Ocotillo Aquifer Storage and Recovery (ASR) Wells 5 & 6 Drilling, Project No. WW0807-401, in an amount not to exceed \$886,285.

7. BACKGROUND/DISCUSSION: ASR wells are needed to support the reclaimed water distribution system. ASR wells are used to inject reclaimed water in the upper aquifer when irrigation demands are low. When irrigation water demand is high, these wells are pumped to recover the stored effluent water for use in the reclaimed water distribution system.

This project agreement provides for drilling of two (2) ASR wells at the Ocotillo Recharge Facility. A construction management services contract for the drilling of the wells will be awarded separately.

8. EVALUATION PROCESS: Staff solicited and received statements of qualifications for well drilling and rehabilitation services from five (5) firms. The selection process was conducted in accordance with established City policies and procedures. The selection committee consisted of the following members:

- John Knudson, Senior Engineer
- Joshua Plumb, Engineering Project Manager
- Bob Blankenship, Water Systems Maintenance Superintendent
- Lorna Tremaine, Contractor/Resident

The selection committee met on April 16, 2007, and reviewed statements of qualifications from Zim Industries, Inc., Stewart Brothers Drilling Co., Layne Christensen Co., WDC Exploration & Wells, and Arizona Beeman Drilling. The panel recommended Layne Christensen Co. for award of the well drilling JOC.

9. FINANCIAL IMPLICATIONS:

Cost: \$886,285
Savings: None
Long Term Costs: None
Fund Source:

Acct. No.:	Fund Name:	Program Name:	CIP Funded:	Amount:
615.3910.0000.6817.8WW189	WW Operating	Effluent Reuse Storage & Recovery Wells	FY 07/08	\$886,285

10. PROPOSED MOTION: Move that Council award a project agreement to Layne Christensen Co. for Ocotillo Aquifer Storage and Recovery (ASR) Wells 5 & 6 Drilling, Project No. WW0807-401, in an amount not to exceed \$886,285.

ATTACHMENTS: Location Map, Project Agreement

APPROVALS

11. Requesting Department

Robert Mulvey, Assistant Municipal Utilities Director

13. Department Head

Dave Siegel, Municipal Utilities Director

12. City Engineer

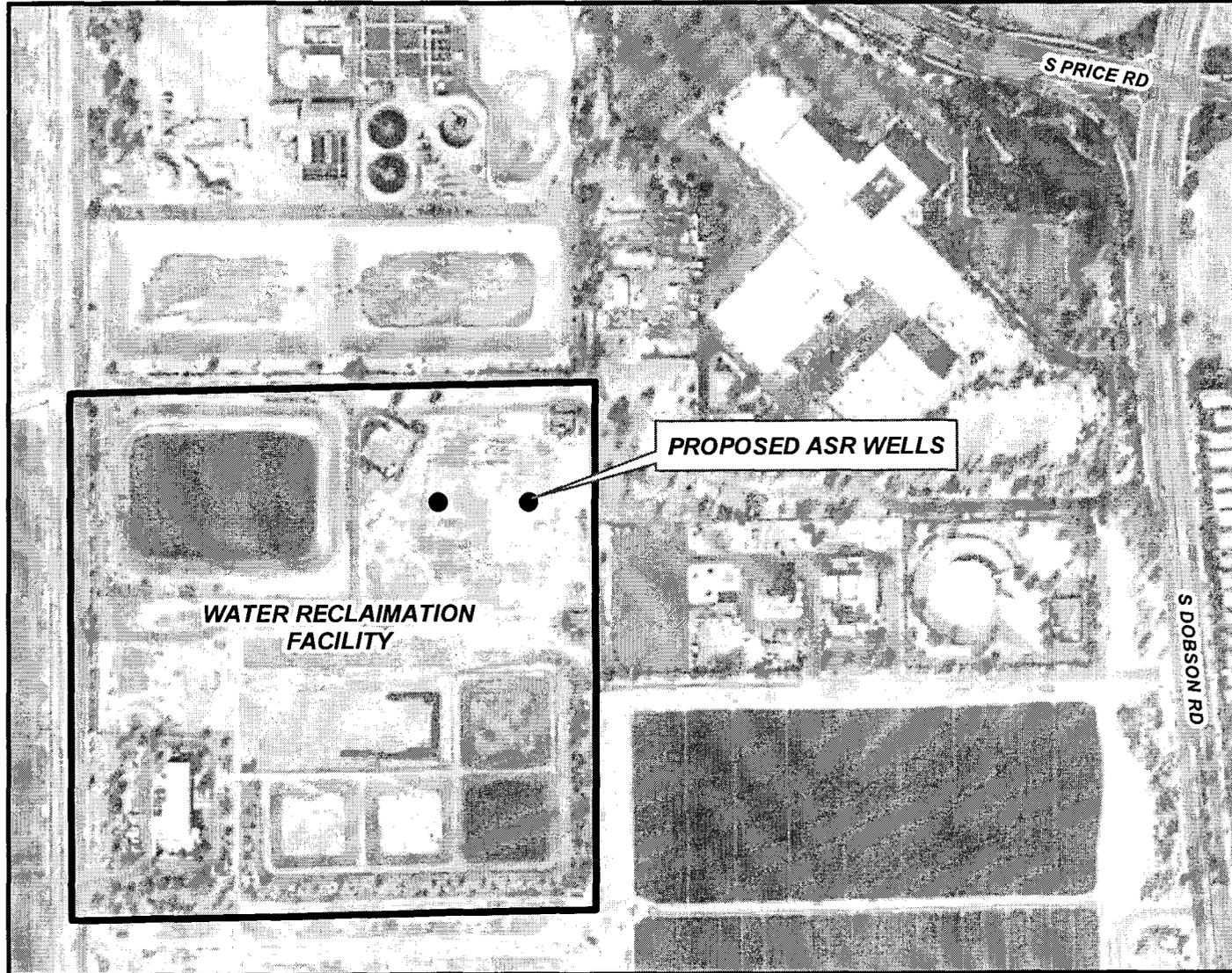
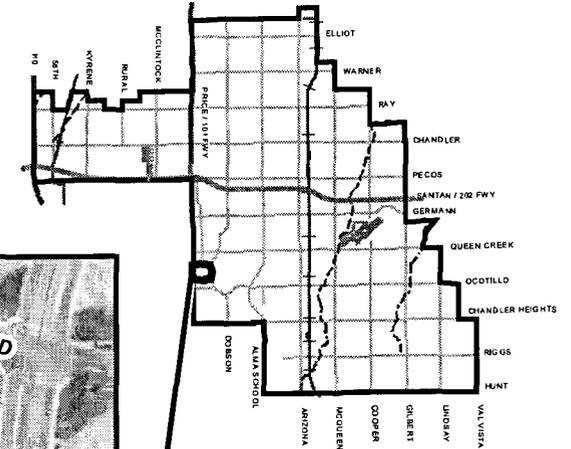
Sheina Hughes, Assistant Public Works Director/
City Engineer

14. City Manager

W. Mark Pentz



OCOTILLO ASR WELLS 5 AND 6 PROJECT NO. WW0807-401



MEMO NO. CA09-073

● PROPOSED ASR WELLS



PROJECT AGREEMENT
PURSUANT TO JOB ORDER CONTRACT NO. JOC 07-13

COPY

AGREEMENT NO: WW0807-401
PROJECT NAME (or LOCATION): Ocotillo ASR Wells 5 & 6 Drilling
DEPT.: Municipal Utilities

This AGREEMENT is made this 5th day of Sept. 2008, by and between the City of Chandler, a municipal corporation (hereinafter referred to as "CITY") and **Layne Christensen Company, a Delaware corporation licensed to do business in the state of Arizona**, (hereinafter referred to as "JOC") and is a Job Order entered into pursuant to JOB ORDER CONTRACT NO. JOC 07-13.

CITY and JOC, in consideration of the mutual covenants herein set forth, agree as follows:

ARTICLE 1. DESCRIPTION OF WORK

This Job Order Project is Ocotillo ASR Wells 5 & 6 Drilling, Project Number WW0807-401. The scope of work consists of drilling, testing, and completing two (2) aquifer storage and recovery (ASR) wells at the Ocotillo Recharge Facility, all as more particularly set forth in Exhibit A attached hereto and incorporated herein by reference.

The JOC shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a contract amendment or change order and signed by the authorized signatories for each party.

ARTICLE 2. CONTRACT PRICE

CITY shall pay JOC for completion of the Work in accordance with the Contract Documents a fee not to exceed the Guaranteed Maximum Price of Eight Hundred Eighty Six Thousand Two Hundred Eighty Five Dollars (\$886,285) determined and payable as set forth in Contract JOC 07-13 and Exhibit B attached hereto and made a part hereof by reference.

ARTICLE 3. CONTRACT TIME & SCHEDULE

The Contract Time is One Hundred Eighty days and JOC agrees to complete all Construction within One Hundred Eighty (180) days from the effective date of the Notice to Proceed.

ARTICLE 4. GENERAL

This Project Agreement is entered into pursuant to JOB ORDER CONTRACT NO. JOC 07-13 and the terms and conditions contained therein are incorporated herein by reference as if set forth in full.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

This Agreement will be effective upon execution by the both parties.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this _____ day of _____ 2008.
CITY OF CHANDLER FOR THE JOC:

MAYOR DATE:

By: _____
Title: General Manager

ADDRESS FOR NOTICE
City of Chandler
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
480-782-3307

ADDRESS FOR NOTICE
Mr. James Hausladen
Layne Christensen Co.
12030 E. Riggs Rd.
Phoenix, AZ 85249

APPROVED AS TO FORM:

City Attorney

Phone: 895-9404
Fax: 895-8699

By: _____
ATTEST:

City Clerk

**EXHIBIT A
SCOPE OF WORK**

JOC shall drill, test, and complete two (2) aquifer storage and recovery (ASR) wells at the Ocotillo Recharge Facility.

**EXHIBIT B
FEE SCHEDULE**

NO.	DESCRIPTION	EST. QUANTITY	UNIT	UNIT PRICE	EXTENDED PRICE
1	Mobilization/Demobilization	1	LS		\$37,309
2	Mobilization/Demobilization between ASR Well Sites	1	LS		\$17,731
3	Surface Casing Construction	80	LF	\$500	\$40,000
4	ASR Well 5 Site Preparation	1	LS		\$2,000
5	ASR Well 6 Site Preparation	1	LS		\$2,000
6	Pilot Hole Drilling	800	LF	\$82	\$65,600
7	Geophysical Logging	2	Each	\$4,500	\$9,000
8	Borehole Reaming (to 26 inches)	700	LF	\$78	\$54,600
9	18-Inch Stainless Steel Well Casing	300	LF	\$563	\$168,900
10	18-Inch Stainless Steel Well Screen	300	LF	\$687	\$206,100
11	2-Inch SS sounding Tube and 2-Inch SS Transducer Tube	1,200	LF	\$43	\$51,600
12	Casing and Screen Installation	600	LF	\$10	\$6,000
13	Silica Sand Filter Pack	60	Ton	\$790	\$47,400
14	Bentonite Seal	50	CF	\$95	\$4,750
15	Cement Grout Seals	25	CY	\$475	\$11,875
16	Air Lift/Swab Development	60	Hour	\$400	\$24,000
17	Pump/Surge Development	48	Hour	\$295	\$14,160
18a	Gyroscopic Plumbness/Alignment Test	2	Each	\$3,500	\$7,000
18b	Dummy Plumbness/Alignment Test	2	Each	\$1,000	\$2,000
19	Final Well video	2	Each	\$2,500	\$5,000
20	FI&R Well Test Pumping Equipment	2	Each	\$16,000	\$32,000
21	Pump Tests	68	Hour	\$295	\$20,060
22	Project Allowance	1	LS		\$50,000
23	Rig Without Crew	16	Hour	\$150	\$2,400
24	Rig With Crew	16	Hour	\$300	\$4,800
TOTAL					\$886,285