EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager

Greg Veliz, Asst. City Manager

FROM: John Paul Castro, Utilities Director

DATE: December 20, 2018

SUBJECT: Awarding the Bid of A.C. Schultes of Florida, Inc. in Response to ITB 19-007 for WWTP Well Repair & Mechanical Integrity Testing.

Action Statement:

This is a request to award the low bid for ITB 19-007 from A.C. Schultes of Florida, Inc. in the amount of \$51,600.00 for the repair of the well, IW-1, and mechanical integrity testing for the well, IW-1 and IW-2 at the City's wastewater treatment plant.

Background:

The City of Key West uses two deep injection wells to pump treated wastewater effluent 3,000 ft. below sea level. The deep injection wells are permitted by Florida Department of Environmental Protection (FDEP), permit numbers 327710-001-UO/5W and 327710-00-UO/5W, and are required to be tested for mechanical integrity every 5 years.

The 5-year renewal is due November 30, 2019. FDEP requires the permit application be submitted at least 180 days prior to expiration of the permit.

Purpose and Justification:

The mechanical integrity testing must be done by specialized and accredited firm, utilizing detailed testing specifications, which was developed by Perez Engineering & Development, Inc. FDEP requires the testing to be performed every five years.

Repair needs to be made to the well casing of well IW-1 prior to testing. The upper casing has sprung 2 pin hole leaks. The well head must be removed for the repair and for the testing. The most cost-efficient route was to combine the projects into one bid package.

Key to the Caribbean - Average yearly temperature 77° F.

The bids received were as follows:

| Contractor | Well Repair | MIT | Total |
|--------------------------------|-------------|-------------|--------------|
| A.C. Schultes of Florida, Inc. | \$8,000.00 | \$43,600.00 | \$51,600.00 |
| | | · | |
| All Webb Enterprises, Inc. | \$20,000.00 | \$68,000.00 | \$88,000.00 |
| Layne Christensen Company | \$23,000.00 | \$90,000.00 | \$113,000.00 |

A.C. Schultes of Florida, Inc. provided the lowest responsible responsive bid. They have proven experience for the repair and testing required.

Financial Impact:

The funds for project SE35041701, Repair at Deep Well IW-1 in account Utilities/Sewer/WWTP/CIP 401-3504-535-6500 total \$150,000. The MIT project was budgeted for \$160,000 in account Utilities/Sewer/WWTP/Professional Services.

Recommendation:

Staff recommends awarding the bid to A.C. Schultes of Florida, Inc. in the amount of \$51,600.00