

ACTION CALENDAR

**BREWER DESALTER EXTRACTION WELL AND BARRIER MONITORING WELL
BID SUMMARY**

The following information is being submitted to the Water Resources Committee as a supplement to the information included in the package already received.

REQUESTS FOR BID:

Staff solicited bids from contractors to construct the Brewer Desalter Extraction Well (referred to as "Schedule A") and the West Coast Barrier Monitoring Well (Referred to as "Schedule B"). Staff also solicited bids to include costs for using alternative materials for each of these wells. These alternates are as follows:

Alternate A: requires substituting 304L stainless steel Well casing material with higher-quality 316L stainless steel material for the Brewer Desalter Well project. 316L stainless steel material is expected to extend the life of the Well casing by approximately 25%.

Alternate B: requires substituting PVC Well casing material with 304L stainless steel material for the Barrier Well project. Using 304 stainless steel in lieu of PVC reduces the potential for the casing material having an influence on water quality samples. A stainless steel casing will also last longer than a PVC casing.

The bid form also included a "Schedule C", which was an optional credit to the District if both projects were awarded to the same contractor.

BID RESULTS:

Two qualified bids were received on September 30, 2004 from the following contractors: Bakersfield Well & Pump and Minco Construction. Each firm submitted bids for the Brewer Desalter Extraction Well and the Barrier Monitoring Well, as well as the alternates, Alternate A and Alternate B.

	Bakersfield Well & Pump	Minco Construction
Brewer Desalter Well (Schedule A)	\$756,574	\$1,612,150
Brewer 316 St. Steel Casing (Alternative A)	\$117,254	\$75,000
Barrier Monitoring Well (Schedule B)	\$229,072	\$448,300
St. Steel Monitoring Well (Alternative B)	\$34,302	\$50,000
Both Wells as One Contract (Schedule C)	<\$0>	<\$10,000>

BID AWARD RECOMMENDATION:

Based on the analysis of the prices submitted for each Base Bid schedule, the apparent low-bidder was Bakersfield Well & Pump. Staff confirmed that their bid documents were properly executed, and that their contractors licenses were current and in good standing. Based on this analysis, Bakersfield Well & Pump was found to be the lowest responsive bidder. The base bid submitted by Bakersfield Well and Pump was 6.5% less than the engineer's estimate for the Brewer Desalter Well project and 30.8% less than the engineer's estimate for the Barrier Monitoring Well project

Staff then analyzed the prices received for the alternative materials to determine if the additional costs for higher-quality construction materials could be justified. For the Brewer Desalter Well, there is a 32.6% premium for the contractor to install 316L stainless steel in lieu of 304L for the well casing. Based on the high cost premium and the minimal years of additional useful life the District would receive in constructing the Well with 316L, staff recommends that the Brewer Desalter Well be constructed using 304L (Schedule A).

For the Barrier Monitoring Well, there is a 15.0% premium for the contractor to install 304L stainless steel in lieu of PVC for the Well casing. There is a potential that water quality sample results could show volatile organic compounds (VOCs) present in the Barrier, when the source of the VOCs was actually the PVC well casing. For this reason, staff recommends installing 304L stainless steel (Alternate B) in lieu of PVC for the Barrier Monitoring Well project.

RECOMMENDED MOTION:

Authorize the Co-Acting General Managers to execute a contract with Bakersfield Well & Pump to construct the Brewer Desalter Replacement (Schedule A) and the Barrier Monitoring Well (Schedule B) including costs for stainless steel materials on the Barrier Monitoring Well (Alternate B) for a total amount of \$1,019,948, plus 10% for unforeseen conditions for a total not to exceed amount of \$1,121,943.

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