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Memorandum Date: December 23, 2010
Board Order Date: January 6, 2010

TO: Board of County Commissioners
DEPARTMENT: CAO/Community & Economic Development
PRESENTED BY: Mike McKenzie-Bahr, Community and Economic
Development Coordinator

AGENDA ITEM TITLE: IN THE MATTER OF AWARDING A CONTRACT TO
AQUASTORE N.W. INC FOR \$318,660; IN RESPONSE TO A BID FOR THE
CONSTRUCTION AND INSTALLATION OF A WATER STORAGE TANK FOR
THE ROW RIVER VALLEY WATER DISTRICT, USING CDBG FUNDS AND
MATCH FUNDS.

I. MOTION

MOVE FOR THE APPROVAL OF AWARDING A CONTRACT TO AQUASTORE
N.W. INC FOR \$318,660, AND AUTHORIZE THE COUNTY ADMINISTRATOR
TO SIGN CONTRACT DOCUMENTS

II. AGENDA ITEM SUMMARY

The County was awarded a \$1,000,000 Community Development Block Grant (CDBG) and \$550,000 in match funds in 2009 to make improvements to the Row River Valley Water District water treatment facilities. Since that time, the project has been moving forward with the hiring of an engineering firm to create engineering and bid documents for construction of a water tank and new water treatment system.

In December 2009, the first phase of the project was put out to bid: construction and installation of a water storage tank. On December 16th, the bid date closed. Two responses to the bids were received: Shearer & Assoc bid \$358,234; and Aquastore bid \$318,660.

We have followed the State CDBG and County prescribed processes for a competitive bid and are recommending awarding the contract for construction and installation of a water storage tank to the lowest bidder: Aquastore N.W. Inc. at a not to exceed price of \$318,660.

This amount is below our budgeted amount of \$400,000 for this element of the project work.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The Row River Valley Water District serves the communities of Row River, Dorena and Culp Creek which are approximately 20 miles east of the City of Cottage Grove. The District's water system is aging and is not in compliance with the Clean Water Act. On behalf of the District, Lane County submitted a grant request that was awarded \$1,000,000 in federal Community Development Block Grant (CDBG) funds from the Oregon Business Department. The District matched those funds with \$550,000 of District funds. The funds were to replace the current water treatment system and add a water storage tank.

The first step in the process was the selection of an engineering firm to do the necessary engineering work. Civil West Engineering, Inc. was hired after a competitive solicitation process. As part of their scope of work, Civil West assisted in the bid document preparation for the needed storage tank and is working on the bid documents for the water treatment plant.

In December 2009, construction of a water storage tank was put out to bid. Bids were opened on December 16, 2009. Two responses to the bids were received.

- Shearer & Assoc bid \$358,234;
- Aquastore N.W. Inc. bid \$318,660.

Aquastore's bid was determined to be the low bidder and the application was determined to comply with the bid requirements as per review of the bid documents conducted by the bid review committee composed of representatives of the Row River Valley Water District, Civil West Engineering, and Lane County.

A Notice of Intent to Award the bid was issued December 21, 2008. To date, no protests to the intent to award the contract were filed.

The award of the contract to Aquastore N.W. Inc for an amount not to exceed \$318,660 to perform the construction and installation of a water storage tank is now before the Board of Commissioners for its approval.

This amount is below our budgeted amount of \$400,000 for this elements of the project work.

B. Policy Issues

Should the Board of Commissioners award a contract to the lowest bidder and have the Row River water system improvement project continue?

C. Board Goals

This project meets the following board goals:

- Contribute to appropriate community development in the areas of transportation and telecommunications infrastructure, housing, growth management, and land development.
- Maintain a *healthy environment* with regard to air quality, water quality, waste management, land use and parks.
- *Protect the public's assets* by maintaining, replacing or upgrading the County's investments in systems and capital infrastructure.

D. Financial and/or Resource Considerations

The County previously received a Community Development Block Grant of \$1,000,000 and \$550,000 in match funds to be used to make improvements to the water system owned by the Row River Valley Water District, which serves the citizens of Row River, an unincorporated area of Lane County.

Of the grant and match amount, \$400,000 was budgeted for construction of the water tank. The total amount of the bid, \$318,660, is within budget.

Only state awarded Community Development Block Grant and match funds are being expended by the County for these contracts.

E. Analysis

The bid process was conducted pursuant to County and State bid requirements. A Row River Valley Water District representative, as well as representative from Civil West Inc. and Lane County served on the bid review committee. The committee found that the low bidder met the requirements of the bid process. In addition, the bid fits within the budgeted amounts for the work that has been identified as necessary, and contains restrictions to prevent exceeding the budgeted funds. The firm selected is qualified to do the work.

A new water tank is critical to the success of the project to bring the Row River Valley Water District System into State compliance and serve clean drinking water to the residents of the Row River Valley.

F. Alternatives/Options

The options before the Board are as follows:

1. The Board may choose to award the bid and approve entering into a contract with Aquastore. This would allow construction and installation of a water storage tank.
2. The Board may take no action. This would result in at least a delay in the project until the matters of concern to the Board could be resolved.
3. The Board may choose to reject the proposed contract.

IV. TIMING/IMPLEMENTATION

Upon approval by the Board, the next part of the County bid award process will take place: the County will contract with Aquastore so that project construction can begin.

Aquastore will start construction upon the County signing the contract.

V. RECOMMENDATION

Staff recommends that the Board of Commissioners approve the motion as drafted.

VI. FOLLOW-UP

If the Board adopts the proposed Order, staff will communicate the adoption to the project parties, oversee the signing of the contracts and direct implementation of the contracts.

VII. ATTACHMENTS

1. Board Order
2. Notice of Intent to Award Bid/ Bid Tab

The proposed Aquastore N.W. Inc Contract, including the Bid package, is available for review with the Clerk of the Board.

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

) **IN THE MATTER OF AWARDED A**
) **CONTRACT TO AQUASTORE N.W.**
) **INC FOR \$318,660; IN RESPONSE TO**
) **A BID FOR THE CONSTRUCTION**
) **AND INSTALLATION OF A WATER**
) **STORAGE TANK FOR THE ROW**
) **RIVER VALLEY WATER DISTRICT,**
) **USING CDBG FUNDS AND MATCH**
) **FUNDS.**

WHEREAS, Lane County has applied for and been awarded Community Development Block Grant funds on behalf of the Row River Valley Water District in the amount of \$1,000,000 and received \$550,000 in match funds, to improved the Row River Valley Water District water treatment system including \$318,660 for water storage tank construction and installation, and

WHEREAS, A competitive bid process was held to solicit bids for the construction of a water tank, two responsive bids were received and reviewed; and

WHEREAS, after reviewing the bids, Aquastore N.W. Inc. was the lowest bidder; and

WHEREAS, a bid review committee composed of representatives of Row River Valley Water District, Civil West Engineering, and County staff, are recommending that the County Board of Commissioners award a contract to Aquastore N.W. Inc for the construction and installation of a water storage tank for the Row River Valley Water District water treatment system.

NOW THEREFORE IT IS HEREBY RESOLVED AND ORDERED that the Lane County Board of Commissioners does hereby approve contracting with Aquastore N.W. Inc for an amount not to exceed \$318,660;

IT IS FURTHER ORDERED that the County Administrator is authorized to sign contracts subject to approval by County Counsel.

DATED this 6th day of January, 2010.

Chair, Lane County Board of
Commissioners

APPROVED AS TO FORM

Date 12-23-09 lane county


OFFICE OF LEGAL COUNSEL



December 18, 2009

Plan Holders/ Bidders

**RE: Lane County - Row River Valley Water District
Water System Improvements
0.33 MG Water Storage Tank
Intent to Award**

The Bid opening for Lane County in part for the Row River Valley Water District water system improvements, 0.33 MG Water Storage Tank was held and read aloud at 2:00pm on December 16, 2009 at the office of Civil West Engineers.

Two Bids came in for the Water Storage Tank with prices ranging from \$318,660.00 for the low and \$358,234.00 for the high. The Engineer's estimate for construction cost of the water storage tank was \$430,000.00.

The two responsive bidders for the water storage tank are as follows:

Aquastore NW as apparent low bidder at \$318,660.00
2nd came Shearer and Associates at \$358,234.00

A Bid Tabulation is attached hereto.

Based on review of the bid results and proposed subcontractor lists received for the above referenced job, it is the recommendation of Civil West Engineering Services, Inc. that Lane County award the following:

0.33 MG Water Storage Tank to Aquastore NW, for the total Basic Bid price of \$318,660.00.

Lane County - Row River Valley Water District
 Water System Improvements
 0.25 MG Water Storage Tank
 Bid results - December 16 - 2008

Tank - Lamp Burn									
1032	MG	0.25	Standard	100%	\$	430,000.00	\$	430,000.00	
Sub Total:									
						\$310,500.00			
						\$310,500.00			
						\$336,244.00			
						\$340,254.00			
						\$338,447.00			
						\$338,447.00			