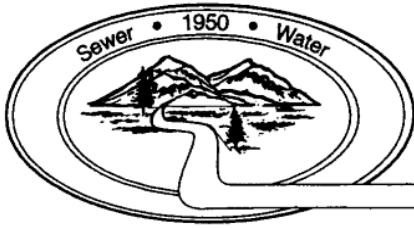


General Manager
John Thiel

Directors
Chris Cefalu
James R. Jones
Randy Vogelgesang
Kelly Sheehan
Nick Exline



South Tahoe Public Utility District

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BOARD AGENDA ITEM 6c

TO: Board of Directors

FROM: Brent Goligoski, Associate Engineer
Heidi Baugh, Purchasing Agent

MEETING DATE: March 19, 2020

ITEM – PROJECT NAME: 2020 Luther Pass Pump Station Improvements Project

REQUESTED BOARD ACTION: (1) Award Contract to the lowest responsive, responsible bidder to pre-purchase butterfly and ball valves for the 2020 Luther Pass Pump Station Improvements Project; or, (2) Reject all bids.

DISCUSSION: Bids were opened at the District offices on Tuesday, March 10, 2020, at 2 p.m. Three bids were received. The total bid amounts ranged from \$172,421 to \$276,113.50. The Engineer's Estimate for the valves, based on recent bid results and general bidding climate, is \$325,000.

KPR Engineering & Procurement was the apparent low bidder. Irregularities have been found in all bids received. Staff is reviewing these irregularities and a recommendation regarding these irregularities will be provided prior to and at the Board Meeting.

SCHEDULE: Upon Board approval

COSTS: To be determined

ACCOUNT NO: 10.30.7058

BUDGETED AMOUNT AVAILABLE: \$119,312 (2019/20); \$583,000 (2020/21)

ATTACHMENTS: Bid Tally Breakdown will be provided prior to and at the Board Meeting

CONCURRENCE WITH REQUESTED ACTION: _____ **CATEGORY:** Sewer/Water

GENERAL MANAGER: YES _____ NO _____

CHIEF FINANCIAL OFFICER: YES _____ NO _____

South Tahoe

Public Utility District

1275 Meadow Crest Drive
South Lake Tahoe, CA 96150
Telephone: (530)544-6474

Memorandum

Date: March 16, 2020

To: Board Members, John Thiel, Shannon Cotulla

From: Brent Goligoski, Associate Engineer
Heidi C. Baugh, Purchasing Agent

Subject: Pre-Purchase of Butterfly and Ball Valves Bid related to the
2020 Luther Pass Pump Station Improvements Project

At 2:00 o'clock on the afternoon of March 10, 2020 we received three (3) electronic bids via PlanetBids for the above-referenced bid. Bids ranged from \$172,421 to \$276,113.50. The engineer's estimate was \$325,000. A careful review and analysis of the three bids showed deviations by all. See attached spreadsheet and list of deviations for full breakdown of each bid.

Deviations and information gathered during bid analysis of the three bids:

KPR Engineering & Procurement

- In the Bidder Information section, there is a field that allows for Respondee Comment. KPR commented, "lead times are as follows: c.steel Ball valve-16 weeks c.steel Butterfly valves- 24 weeks stainless steel Ball valve-14 wee[k]s stainless steel Butterfly valves-20weeks "
- Bid documents specified a delivery deadline of on or before June 18th as well as giving 77 days (11 weeks) from Notice to proceed before Liquidated Damages of \$2500 per day would start.
- In the Line Items section, there is also a field that allows for Comment on each individual line item. KPR inserted the following comment on each line, "prices include sales tax and freight".
- In the Attachments section, this bidder uploaded the bid forms and product information as required, and the Noncollusion Declaration was notarized.
- Paper documents were received late.

Western Nevada Supply

- In the Bidder Information section, in the field that allows for Respondee Comments, Western Nevada Supply (WNS) commented, "WNS can meet the 6/18/20 delivery date if the project is awarded on 3/19/20. I was unable to upload bid docs. Called and emailed Heidi about it."

- Heidi Baugh, Purchasing Agent (Heidi) did receive a voicemail at 1:55 p.m., just before the 2 p.m. bid deadline. It essentially said “I cant get my bid to upload to Planet Bids... the attachments”.
- Heidi also received an email at 2:02 p.m. that said: “I was unable to upload my bid docs on the Planet Bids site. I tried calling prior to the bid, but couldn’t get it to upload. I submitted my numbers, but that was all I could do.”
- In the Line Items section, WNS also utilized the field that allows for Comment on each individual line item as follows:
 - For each of the butterfly valve line items, they commented, “12-15 week lead time”
 - For each of the ball valve line items, they commented, “8-9 week lead time”
- In the Attachments section, WNS did not upload any attachments.
- Heidi received an email at 2:22 p.m. that said “Here are my documents that wouldn’t upload.” And included 9 attachments including the complete bid forms and product information as required, and the Noncollusion Declaration was notarized.

Iconix Water Works

- In the Line Items section, Iconix Water Works (Iconix) commented on each of the butterfly valve line items, “Daehan Control”. (This is the manufacturer name.)
- In the Line Items section, for each of the ball valve line items, Iconix commented, “Apollo Series 88A-94H-MG1. Exception to "lined & coated fusion bonded epoxy per AWWA C213. Apollo Valves does not provide any epoxy coating either external or internal as the coating changes machined tolerances and seat geometry creating dramatic changes in valve torque due to the coating thickness. All Apollo carbon steel ball valves have a zinc-oxide coating as a temporary preventative to oxidation and corrosion. 2. We take exception to date of manufacture cast into the valve body. Date of manufacture is stamped or pain marked on the valve tag, which is permanently attached to the valve body. 3. Testing is standard API 598 hydro shell with air seat test. No documentation is included except standard certificate of conformance.”
- In the Attachments section, Iconix uploaded a single attachment which was one of the original bid document blank attachments. Iconix was advised of the blank attachment. Iconix then emailed the documents. We received their bid form documents at 4:20 p.m., their product information at 4:24 p.m. and 4:29 p.m.
- The Noncollusion Declaration in the bid form documents was signed by the bidder, but not notarized.
- Paper documents were never received.

Bid Results for Project Pre-Purchase Butterfly Valves and Ball Valves

Item Num	Section	Description	Unit of Measure	Quantity	Engineers Estimate (modified for alternate comparison) - Unit Price	Engineers Estimate (modified for alternate comparison) - Line Total	KPR Engineering & Procurement - Unit Price	KPR Engineering & Procurement - Line Total	Western Nevada Supply Company - Unit Price	Western Nevada Supply Company - Line Total	Iconix Water Works - Unit Price	Iconix Water Works - Line Total
1	BID SCHEDULE	Class 600 - 24" Butterfly Valve - Carbon Steel	EA	2	\$66,500	\$133,000	\$40,709.00	\$81,418.00	\$56,810.00	\$113,620.00	\$57,212.50	\$114,425.00
2	BID SCHEDULE	Class 300 - 24" Butterfly Valve - Carbon Steel	EA	1	\$45,000	\$45,000	\$19,992.00	\$19,992.00	\$43,305.00	\$43,305.00	\$43,610.50	\$43,610.50
3	BID SCHEDULE	Class 600 - 12" Butterfly Valve - Carbon Steel	EA	2	\$20,500	\$41,000	\$11,336.00	\$22,672.00	\$17,140.00	\$34,280.00	\$17,264.50	\$34,529.00
4	BID SCHEDULE	Class 300 - 12" Butterfly Valve - Carbon Steel	EA	1	\$12,500	\$12,500	\$5,930.00	\$5,930.00	\$10,390.00	\$10,390.00	\$10,465.50	\$10,465.50
5	BID SCHEDULE	Class 300 - 12" Ball Valve - Carbon Steel	EA	1	\$20,000	\$20,000	\$11,317.00	\$11,317.00	\$16,150.00	\$16,150.00	\$17,189.00	\$17,189.00
Subtotal						\$251,500		\$141,329.00		\$217,745.00		\$220,219.00
6	ADDITIVE ALTERNATE BID ITEMS	Class 600 - 24" Butterfly Valve - Stainless Steel	EA	2	\$86,000	\$172,000	\$49,775.00	\$99,550.00	\$73,095.00	\$146,190.00	\$73,612.00	\$147,224.00
7	ADDITIVE ALTERNATE BID ITEMS	Class 300 - 24" Butterfly Valve - Stainless Steel	EA	1	\$58,000	\$58,000	\$24,332.00	\$24,332.00	\$52,640.00	\$52,640.00	\$53,013.00	\$53,013.00
8	ADDITIVE ALTERNATE BID ITEMS	Class 600 - 12" Butterfly Valve - Stainless Steel	EA	2	\$26,500	\$53,000	\$13,641.00	\$27,282.00	\$20,375.00	\$40,750.00	\$20,519.50	\$41,039.00
9	ADDITIVE ALTERNATE BID ITEMS	Class 300 - 12" Butterfly Valve - Stainless Steel	EA	1	\$16,000	\$16,000	\$6,854.00	\$6,854.00	\$13,090.00	\$13,090.00	\$13,182.50	\$13,182.50
10	ADDITIVE ALTERNATE BID ITEMS	Class 300 - 12" Ball Valve - Stainless Steel	EA	1	\$26,000	\$26,000	\$14,403.00	\$14,403.00	\$20,350.00	\$20,350.00	\$21,655.00	\$21,655.00
Subtotal						\$325,000		\$172,421.00		\$273,020.00		\$276,113.50
Total						\$576,500		\$313,750.00		\$490,765.00		\$496,332.50