



STAFF REPORT

DATE: July 2, 2019

CONSENT

AGENDA ITEM: Accept Quotes and Award Contract for Test Well #5

SUBMITTED BY: Chad Isakson, Assistant City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Marty Powers, Public Works Director
Jack Griffin, City Engineer

ISSUE BEFORE COUNCIL: Should the City Council accept quotes and award a construction contract for Test Well No. 5?

BACKGROUND: The City of Lake Elmo has been working with the MN-DNR and MPCA to replace the lost capacity for Well #1 by pursuing the development and construction of Production Well #5 to be located in Tana Ridge Park. Authorization of engineering services for the preliminary design was approved at the May 7, 2019 Council Meeting. Construction and monitoring of a test well is required to determine the suitability of the proposed site.

PROPOSAL DETAILS/ANALYSIS: A quote package for drilling a test well and determining water quality was prepared by Bolton and Menk and sent out to three well drillers to provide pricing to complete the work. The quote package included two different construction techniques to drill the well with pricing requested for each. The methods are a Mud/Air Rotary and a Dual Rotary. The Dual Rotary method is more expensive but provides higher quality control, the ability to sample water quality at various locations in the aquifer and avoids the potential risk associated with having to abandon partial work and restarting the well in the event certain geological conditions prevent the completion of the initial well.

Three quotes were received from qualified contractors on June 19, 2019 with the price breakdown included in the Engineer's Letter of Recommendation and Quote Summary attachment. Staff is recommending Traut Companies be awarded a contract to complete the test well and water quality testing using the Dual Rotary drilling method for \$52,168.00.

FISCAL IMPACT: Construction cost for the Test Well is \$52,168.00. The project costs will be funded 90% through the MPCA grant agreement and 10% through the Water Core Fund.

RECOMMENDATION: Staff is recommending that the City Council consider, *as part of the Consent Agenda*, accepting the quotes and awarding a construction contract to Traut Companies in the amount of \$52,168.00 for Test Well No. 5. If removed from the consent agenda, the recommended motion for this action is as follows:

“Move to accept the quotes and award a Construction Contract to Traut Companies in the amount of \$52,168.00 for Test Well No. 5.”

ATTACHMENTS:

1. Engineer's Letter of Recommendation and Quote Summary.



Real People. Real Solutions.

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June 20, 2019

Jack Griffin
City Engineer
3880 Laverne Ave N
Lake Elmo, MN 55042

RE: Lake Elmo Test Well No. 5
Lake Elmo, MN
Quote Evaluation
BMI Project Number: N17.118885

Dear Jack:

Quotes were received from all 3 contractors via email by 5:00 p.m. on Wednesday June 19, 2019 and are summarized below:

BIDDER	DRILLING METHOD		C: TEST PUMPING AND WATER QUALITY TESTING	BID TOTALS	
	1.A: MUD/AIR ROTARY	1.B: DUAL ROTARY		MUD/AIR ROTARY (1.A + C)	DUAL ROTARY (1.B + C)
1 Traut Companies	\$28,852.50	\$42,065.00	\$10,103.00	\$38,955.50	\$52,168.00
2 Bergerson Caswell Inc.	\$43,325.00	No Bid	\$14,050.00	\$57,375.00	No Bid
3 E.H. Renner & Sons	\$60,755.00	No Bid	\$23,500.00	\$84,255.00	No Bid

The quote package did not contain any wording or ambiguities so as to force the Contractor to build in additional contingencies. We feel that the quotes received were competitive and responsive and requoteing of the project would not provide any cost savings.

Traut Companies sent the lowest responsive and responsible quote for both drilling methods. It is recommended to use the dual rotary method over the mud/air rotary method despite the cost difference due to issues that arose with the mud/air rotary method on a similar project in nearby Lino Lakes. The dual rotary method provides two advantages:

1. It more easily addresses difficult geology, eliminating the risk of having to restart the test well.
2. It affords an opportunity to sample the water quality at multiple levels in the aquifer.

We recommend that the contract be awarded to Traut Companies with the dual rotary method for the total amount of \$52,168.00.

Sincerely,
BOLTON & MENK, INC.

Steve Nelson, P.E.
Project Manager

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