



COUNCIL AGENDA MEMO

MEETING DATE/TYPE: **VOTING MEETING** **12-12-17**

DEPARTMENT: **Water Resources**

AGENDA ITEM: Adoption of Resolution No. 4410-1619 approving the award of City Contract No. 2018-114 to Yellow Jacket Drilling Services, LLC, for the Big Chino Sub-basin Monitor Well Drilling Project, in the amount of \$1,369,928.00. Funding is available in the Water Fund.

FUNDING SOURCE: Water Fund

Approved By: Michael Lamar, City Manager

Item Summary

On September 19, 2012, Council approved Comprehensive Agreement No. 1 (CA1) with Salt River Project (SRP) and the Town of Prescott Valley, City Contract No. 2013-058, providing for implementation of an enhanced groundwater and surface water monitoring system, and creation of a refined (“nested”) groundwater flow model to be developed for the Big Chino Sub-basin and its connection to the Upper Verde River. Attached is the Council Agenda Memo from the September 19, 2012, meeting providing additional background.

In October 2017, the City, on behalf of the CA1 parties, issued a bid solicitation for the Big Chino Data Collection Monitoring Plan (DCMP) Phase 2 Drilling and Testing project. The drilling of monitor wells in certain locations is a requirement of the DCMP, and the data is necessary for the groundwater flow model (City Contract No. 2017-246). From the solicitation, the City received two (2) bids. In accordance with procurement requirements the proposal of Yellow Jacket Drilling Services, LLC, was deemed the, low, responsive, responsible bid.

Bid Results

The project was publicly advertised for bid for two consecutive weeks during October 2017, after which the two bids received were opened on November 2, 2017, with the following results:

<u>Company</u>	<u>Location</u>	<u>Bid Amount</u>
Yellow Jacket	Phoenix, AZ	\$1,369,928.00
Drill-Tech	Chino Valley, AZ	\$1,465,527.76

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Engineer's Estimate \$1,583,500.00

Written confirmation of their bid has been received from Yellow Jacket Drilling Services, LLC. Verification of license, bonding, references, and past performance of similar projects has also been completed. Based on this information, the bid has been deemed responsive and balanced.

Award of the low bid of Yellow Jacket Drilling Services, LLC, in the amount of \$1,369,928.00, is recommended.

Project Schedule

Per the contract, all work must be substantially complete within 150 calendar days of the notice to proceed. Pending contract award, the following milestones have been identified:

Award of Contract	December 12, 2017
Notice to Proceed (NTP)	January 7, 2018
Commence Construction	January 16, 2018
Completion	June 2018

Financial Impact

The Big Chino Project is a Prescott initiative; hence, the City is the fiduciary agent for CA1. The balance of contributions made by the parties for CA1 was \$2,043,872.05 at September 30, 2017. Funding for the monitoring expenses is maintained in a sub-account for clarity with respect to revenues and expenditures. The control figure for this component of the CA1 contract is \$1,369,928.00, of which the City of Prescott share is \$496,557.80. The difference between the total balance of contributions-to-date (\$2.0 million) and the amount of this contract (\$1.37 million) is necessary for implementing the enhanced groundwater and surface water monitoring system. Funding is available in the Water Fund for the monitor wells.

The City's standard construction contract will be used for this project.

Attachments

1. Yellow Jacket Drilling Services, LLC, proposal (11/1/2017)
2. City Council Agenda Memo for Comprehensive Agreement No. 1 (9/19/2012)
3. Exhibit 5 to Comprehensive Agreement No. 1 (City Contract No. 2013-058), overview of project costs and shares
4. Resolution No. 4410-1619

Recommended Action: MOVE to adopt Resolution No. 4410-1619.