

Council Meeting Staff Report

January 4, 2022

Agenda No.:	H.
Indexes (Council Goals):	* 2021 Council Goal - Investing in Infrastructure
Presenters:	James Alarid
Legislative File:	15059-21

Title

Award of IFB No. 22-52 for the Purpose of Bayo Booster Non-Potable Water Storage Tank Construction Project - Phase I with Lone Mountain Contracting, Inc. in the Amount of \$494,791.00, plus Applicable Gross Receipts Tax.

Recommended Action

I move that Council approve the Award of Bid No. 22-52 for the Purpose of Bayo Booster Non-Potable Water Storage Tank Construction Project - Phase I with Lone Mountain Contracting, Inc., in the Amount of \$494,791.00 and a contingency in the amount of \$98,958.00, for a total of \$593,749.00 plus Applicable Gross Receipts Tax

Utilities Manager Recommendation

The Utilities Manager recommends approval of the motion as presented.

Board Recommendation

The Board of Public Utilities reviewed this recommendation at their regular meeting of December 15th and unanimously recommends approval of the motion as presented.

Body

Los Alamos County was awarded \$900,000 from the New Mexico Finance Authority Water Trust Board (NMFA) to construct the new Bayo Tank Project. The new tank will be located next to the existing Bayo booster station which is in Pueblo Canyon adjacent to the composting facility. The Los Alamos effluent conveyance system which pumps effluent water from the Los Alamos wastewater plant to irrigate the golf course and North Mesa ballparks is limited by the amount of existing storage. This additional 833,000 gallons of storage will supplement the supply to the Golf Course and North Mesa ball parks and allow for expansion of effluent use in Los Alamos. The storage tank will also provide a robust supply of water available for wild-land firefighting in the remote Pueblo and Bayo canyons which are vulnerable to fire from lightning strikes and trees falling on power lines. The project was bid this past summer and two bids were received. The bids were \$1,250,000.00 over budget due to the Covid-19 construction cost escalation and supply chain disruption. LAC did not award the project due to the large overrun which was well above our available budget.

LAC has worked with NMFA and New Mexico Environment Department Construction Programs Bureau to phase the project in two phases. Phase I will construct the piping and conduits for the new tank, upgrade the metering, and relocate the chlorination injection point. The DPU has applied to the Water Trust Board for funding to complete Phase II of the project which will be considered in the 2022 legislative session.

Phase I was placed out to bid in August and no bids were received. Since there are time limits with grant funding, staff reissued the advertisement for bids and placed several calls to contractors, and this time received four bids. Lone Mountain Contracting Inc. submitted the lowest bid and staff is recommending to award this project to the lowest bidder.

Alternatives

If the bid is not awarded staff will evaluate if there are alternative means to procure the services in an

effort to not lose the grant funding.

Fiscal and Staff Impact

The project budget is \$1,035,000 which consists of \$540,000 grant, \$360,000 no interest loan and \$135,000 of capital improvement funds.

Attachments

A - IFB22-52 Construction Plan