

COOS BAY-NORTH BEND WATER BOARD
P O BOX 539 – 2305 Ocean Boulevard
Coos Bay, Oregon 97420

Minutes
Regular Board Meeting

1:00 p.m.
June 18, 2015

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Chair Sharps presiding. Other Board members present: Richard Vigue, Melissa Cribbins and Greg Solarz. Board members absent: None. Water Board staff present: Rob K. Schab, General Manager; Ron Hoffine, Operations Director; Matt Whitty, Engineering Supervisor; Rick Abbott, Distribution Supervisor; Bryan Tichota, Customer Relations Supervisor; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was absent. Media present: None. Rick Skinner and Tim Huntley from Knife River were present. Chair Sharps opened the meeting at 1:00 p.m.

Chair Sharps asked if there were any corrections or additions to the June 4, 2015 Regular Board meeting minutes. There being none, Mr. Vigue moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Chair Sharps asked if there were any public comments, and there were none.

Regarding bid aware for the South Empire Boulevard Water Main Relocation Project, Operations Director Ron Hoffine said 3 bids were received and opened on June 11, 2015. The bid tabulation is as follows:

Bidder	Bid Amount
LTM, Inc. dba Knife River Materials, Coos Bay	\$1,198,977.50
Columbia Pacific Construction, Inc., Woodland, WA	\$1,660,492.50
Northwest Metal Fab and Pipe, Inc., Wilsonville	\$1,836,164.00*

*corrected bid total

The apparent low bidder is LTM, Inc. dba Knife River Materials in the amount of \$1,198,977.50. The Dyer Partnership's estimate was \$1,200,420.00.

Bids were evaluated immediately after bid opening. There were three addendums issued during the course of the bidding period. Knife River omitted the acknowledgement of receiving Addendum No. 3 on their bid form. Knife River had received the addendum; however they made a mistake in not acknowledging its receipt. Their mistake was disclosed during the public bid opening. The following day, Knife River submitted a letter stating they did receive Addendum No. 3 on June 5, their bid did include the contents of Addendum No. 3, and their bid is intended to be bound by the contents of Addendum No. 3. Staff determined Knife River has the company and personnel qualifications required in the contract documents. A Notice of Intent to Award to Knife River was issued on June 12. A protest was received on June 12 from Columbia Pacific Construction because of the Addendum No. 3 issue.

Mr. Schab stated staff reviewed this issue with Board attorney Jim Coffey. Mr. Coffey noted Addendum No. 3 basically was not a substantial change in the scope of work. The protest of Columbia Pacific Construction specified the bid of Knife River was nonresponsive because they did not list receipt of Addendum No. 3 on the face of the bid sheet. Mr. Coffey reviewed his research with the Board regarding the protest. The Board could deny the protest only if Knife River's failure to list Addendum No. 3 was a mistake that could be waived as a minor informality. OAR 137-049-0350 addresses mistakes of bidders and provides in part as follows: 1) The Board could allow the bidder to correct a minor informality that is a matter of form rather than substance that is evident on the face of the offer, or an insignificant mistake that can be waived or corrected without prejudice to other bidders. 2) Acknowledge receipt of an Addendum to the solicitation document, provided that it is clear on the face of the offer that the offeror (bidder) received the Addendum and intended to be bound by its terms; or the Addendum involved did not affect price, quality or delivery. Mr. Coffey advised Mr. Hoffine to contact Knife River for a letter. The letter from Knife River acknowledged receipt of Addendum No. 3, the addendum was included in the bid, and they intend to be bound by the offer.

Mr. Coffey inquired if Addendum No. 3 had any impact on Knife River's bid in terms of cost. Knife River said they added approximately \$2,500 for the clean-up work required by Addendum No. 3.

Since Knife River did not list Addendum No. 3 on the face of their bid, the item in the bid dealing with AC pavement removal and replacement (Item 9) totaled \$108,500; however there was not a breakdown in the overall figure of what the cost was for complying with Addendum No. 3. For this reason, Mr. Coffey stated this makes it unable to establish on the face of the bid that they received the addendum.

Mr. Coffey said the Board has three options: 1) Accept the protest and award the bid to Columbia Pacific Construction, however this is not possible because of financial capacity 2) Deny the protest; or 3) reject all bids and rebid the project.

After a brief discussion, motion was made by Ms. Cribbins as follows: due to the fact there was a protest filed against the low bidder and all other bidders were substantially higher than the engineer's estimate, it is in the public's interest to reject all bids and submit the project for rebid. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was set for Thursday, June 25, 2015, at 1:00 p.m. following the Budget Committee Meeting.

There being no other business to come before the Board, Chair Sharps adjourned the meeting at 1:40 p.m.

Approved: _____, 2015

By: _____
Chair Charles J. Sharps, Ph.D.

ATTEST: _____