

South Tahoe
Public Utility District
1275 Meadow Crest Drive
South Lake Tahoe CA 96150
(530) 544-6474 FAX (530) 541-0614

Memorandum

To: Board Members
John Thiel, General Manager

Fr: Heidi Baugh, Purchasing Agent

Re: 2023 Barton Area Valve Installation Project

Date: April 14, 2023

On Friday, April 14, 2023, at ten o'clock A.M. we received and opened two (2) sealed bids via the District's electronic bidding format for the above-referenced project. Bids ranged from a low of \$340,265 to \$440,973. The engineer's estimate was approximately \$311,000. A careful review and analysis of each bid showed deviations listed on the attached sheet. See attached spreadsheets for a full breakdown of each bid.

Haen Constructors (Haen) is the low bidder. Haen's bid showed only minor deviations or omissions.

I contacted the Contractors License Board and was given the following information:

- License Number 1045625 is current and active.
- The company is a corporation.
- Haen holds a Class A – General Engineering license.
- Haen's CA DIR registration is current and was at the time of bid opening.

South Tahoe Public Utility District
 Bid Results for Project Barton Area Valve Installation Project

Issued on 03/31/2023; Bid due on April 14, 2023 10 AM

				LAFLEUR EXCAVATING, INC.		HAEN CONSTRUCTORS	
Item#	Description	U/M	Qty	Unit Price	Line Total	Unit Price	Total
1	Mobilization and Demobilization (not to exceed 10% of Total)	LS	1	\$16,500.00	\$16,500.00	\$38,280.00	\$38,280.00
2	Erosion Control	LS	1	\$6,500.00	\$6,500.00	\$9,000.00	\$9,000.00
3	Ground Water Dewatering	LS	1	\$5,500.00	\$5,500.00	\$2,000.00	\$2,000.00
4	Sheeting, Shoring, and Bracing or equivalent method	LS	1	\$8,000.00	\$8,000.00	\$31,250.00	\$31,250.00
5	Traffic Control	LS	1	\$6,050.00	\$6,050.00	\$15,625.00	\$15,625.00
6	4" Line Stop on Steel Main	EA	2	\$17,405.00	\$34,810.00	\$36,000.00	\$72,000.00
7	4" Cut-in Valve	EA	4	\$12,565.00	\$50,260.00	\$14,063.00	\$56,252.00
8	6" Cut-in Valve	EA	2	\$13,115.00	\$26,230.00	\$14,438.00	\$28,876.00
9	8" Cut-in Valve	EA	1	\$13,665.00	\$13,665.00	\$15,858.00	\$15,858.00
10	8" Insertion Valve	EA	1	\$29,650.00	\$29,650.00	\$40,250.00	\$40,250.00
11	Fire Hydrant Installation with 4" mainline valve	EA	2	\$17,050.00	\$34,100.00	\$21,000.00	\$42,000.00
12	Intertie - South Ave & 4th Street	LS	1	\$42,000.00	\$42,000.00	\$29,469.00	\$29,469.00
13	4" Asphalt Permanent Patch	SF	1500	\$19.50	\$29,250.00	\$21.60	\$32,400.00
14	Raise Buried Valve in Caltrans ROW	LS	1	\$12,750.00	\$12,750.00	\$2,713.00	\$2,713.00
15	Unknown Conditions	LS	1	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
TOTAL:					\$340,265.00		\$440,973.00

2023 Barton Area Valve Installation Project Summary of Bids Reviewed
Bid Opening: 4/14/2023 at 10:00 o'clock a.m.

Deviations, omissions, and information gathered during bid analysis of the lowest bids:

Haen Constructors

- Page 9, Bidder's General Information, Item #1, address is different from that on Contractor's State License Board site. I contacted the bidder and verified that both the POBox address and the street address in South Lake Tahoe are good addresses for this company.
- Page 9, Bidder's General Information, Item #3, the contractor's license expiration date was not included. This information was obtained during the review of Contractor's license on the Contractor's State License Board site. License is current and active.
- Page 9, Bidder's General Information, Item #5, "Name, address, and telephone number of surety company and agent who will provide the required bonds on this contract" failed to list the agent's name. Information was obtainable via original hard copy Bid Bond documents submitted prior to bid deadline.
- Page 19, Certification by Contractor's Insurance Broker, was not signed. Because there is no statutory requirement for this form, and its omission does not create a material advantage, we requested and received this form, fully executed, before the end of the bid closing date.

LaFleur Excavating Inc.

- No original hard copy bid bond was received prior to bid deadline. As of end of business day on the bid deadline date, no original bid bond was received. During discussion with bidder, he acknowledged he missed this requirement.
- Page 9, Bidder's General Information, Item #1, address is different from that on Contractor's State License Board site. I contacted the bidder and verified that both the POBox address in Orangevale and the street address in Roseville are good addresses for this company.
- Page 9, Bidder's General Information, Item #5, "Name, address, and telephone number of surety company and agent who will provide the required bonds on this contract", phone number provided was for the agent, who indicated the bid bond was valid. I called the surety's "attorney in fact" broker to verify. Have not heard back.
- Page 13, Subcontractor Listing, failed to identify the percentage of work to be provided by the subcontractor.
- Page 15, Bid Bond, photocopy of bid bond uploaded with bid documents to Planetbids did not include the required Power of Attorney authorizing representative of bonding company (making the bid bond incomplete). No original hard copy of the bid bond was received.
- Page 19, Certification by Contractor's Insurance Broker. During investigation to verify the listed liability insurance company is authorized to do business in

California, I consulted the California Department of Insurance website. I noticed that the insurance company in question showed the License Status as “withdrawn”. I left messages with the CDI as well as with the insurance agent for clarification. During conversation with insurance agent he indicated that this was a surprise to him. While I was on the phone with him, he contacted another individual who explained that there are basically two types—admitted and surplus lines (approved/not admitted or non-admitted). I consulted the CDI site again for the List of Approved Surplus Line Insurers and was not able to find the liability insurance company in question identified on that list. I have an email into our JPIA Risk Management Group regarding this matter; I believe that their insurance company would not meet our spec’d requirements which state, “All insurance required by this section shall be placed with insurance companies authorized by the State of California to transact insurance business in the State of California....”.