WASILLA CITY COUNCIL ACTION MEMORANDUM **CM No. 98-43**

SUBJECT: Award of Contract: Drilling for Iditarod Well #3

PREPARED BY: Cindy Roberts, Director DATE: July 31, 1998

FOR AGENDA OF: August 10, 1998

SUMMARY: The Public Works Department received one bid for drilling Iditarod Well #3. Three companies picked up plan sets from the PW office and others reviewed plans obtained from Associated General Contractors and the Plans Room in Anchorage.

M-W Drilling, Inc. of Anchorage submitted a responsive bid with the caviat that work could not begin before September*. Bid preparation was based on four cost items: the basic bid plus three options tied to the size of the well casing (8", 10", and 12"). The amounts are listed below.

Basic Bid	$ 30,204
Option 1	$ 46,125
Option 2	$ 67,000
Option 3	$ 91,000

The option selected will reflect final analysis of Gilfilian Engineering & Environmental Testing, Inc. Bid costs are within the general range of engineer's estimates.

* This should not be a problem as the Notice of Award will be made pending approval of Council August 10. (NOTE: As there were less than 3 bids, Council approval must be unanimous.) Notice to Proceed will be issued no later than August 24.

FISCAL IMPACT: __No _x_Yes, amount requested: Option 1 $76,329 or **Option 2 $97,204**

Fund 06.699.6012 C.I.P. FY'99 $75,000 for a total revised budget of $186,500
Balance of budget will finance surface structure and mechanical requirements.

RECOMMENDED ACTION: Award the contract to M-W Drilling, Inc.

Reviewed by: SARAH PALIN, Mayor

APPROVED
DATE: 8/10/98
BY: K Yarbrough