

Memorandum

To: Board of Directors,
North San Joaquin Water Conservation District
Tracy Lake Improvement District

From: Walter E. Sadler, PE
Project Manager

Date: June 26, 2014

Subject: Cancel of Award for Pre-Purchase of Pump for Tracy Lake

Background

As the North San Joaquin Water Conservation District (NSJWCD) moves forward with the planning, permitting and construction of the proposed Tracy Lake Diversion Project, attention to construction schedule has been critical. Under the conditions of the US Bureau of Reclamation Grant for the construction of the Tracy Lake Groundwater Recharge Project, NSJWCD has committed to completing the project by the end of September 2014. There are a variety of issues that impact the District's ability to complete the project on schedule, these issues include Environmental permits, water rights permit, and availability of materials for construction. Upon reviewing the delivery time of the various major components it was determined that the fabrication and delivery of the pump was the longest lead item among the pump station components, would have the biggest impact on the construction schedule if the project was to be constructed in Summer 2014, and was the one component controlled by the District.

Bids were taken on April 21, 2014 at the District Office with Cascade Pump Company, Sante Fe Springs, CA submitted a bid in the amount of \$107,784 including 8% sales tax plus the requisite cashier's check as a bid bond.

Discussion

Environmental permitting while having a major impact on the project schedule, is beyond the control of the District. However, based on the fact that the initial submittal of the Nationwide Permit Pre-Construction Notice and other permit applications had been submitted in mid March, it was assumed that some action would have been taken by the time the pump purchase contract would be executed and thus provide an indication of whether or not the permits would be issued in time for construction this summer. However, there has been no action on any of the permit applications and it has now been determined that the 404 Nationwide Permit Pre-Construction Notice (PCN) which was submitted to the Corps of Engineers in mid March, has been lost and must be resubmitted. In addition, no response has been received on the District's Streambed Alteration Permit. Thus based on the status of the permits and the construction window identified in the Environmental Documents, construction will not occur this summer.

Recommendation

While the Board previously approved award of the contract, the contract has not been signed; therefore, based on the permitting issues identified above, it is recommended that the District approve a no-cost cancellation of the award of the pump contract to Cascade Pump Company.