

May 18, 1994



City of Grand Junction, Colorado
250 North Fifth Street
81501-2668
FAX: (303) 244-1599

Royal Collard
Central Grand Valley Sanitation District
541 Hoover Drive
Grand Junction, CO 81504

Re: Larry Beckner May 5 Letter

Dear Royal:

I am not sure of the purpose of your attorney's May 5 letter to the Grand Junction City Council but it omits several facts and makes some incongruous comparisons that I feel compelled to clarify.

The following table shows the total length of sewer lines cleaned by the City in CGVSD for the past 3 years. It also shows the total cost and the unit cost per foot:

	Amount Collected from CGVSD	Ft. of line Cleaned	Cost per Ft.
1991	\$61,432	203,313	\$0.30
1992	\$63,604	248,904	\$0.26
1993	\$61,263	273,719	\$0.22

CGVSD requested bids for line cleaning and televising of 79,360 feet of sewer line. Your specifications required that the line cleaning and televising of the lines take place as a concurrent operation. This requirement substantially reduces the production time of a line cleaning crew and resulted in our unit price bid being twice the amount for which we performed the work in 1993.

Mr. Beckner's letter fails to give the full picture of the bids received. The following bids were received by CGVSD from 6 contractors and the City:


Southwestern Pipe Management	\$30,633
Tele Environmental	\$56,254
Hydro-San Corp.	\$66,609
Val Kotter	\$66,957
City of Grand Junction	\$71,108
Guildner Pipeline	\$73,176
VSR Corp.	\$80,297

The second low bid of is 84% higher than the low bid submitted by Southwestern Pipe Management. The average of the bids other than Southwestern is \$69,067 which is over twice the amount bid by Southwestern. Mr. Beckner's letter implies that all of the bids other than the highest three were in the same range as the Southwestern bid. My experience in bidding public projects over

the last 20 years, is that when one bidder is substantially lower than all other bidders, the low bidder made a mistake or failed to take into account some critical specification. The work by Southwestern should be monitored carefully to make sure that all of your specifications are met.

Mr. Beckner states that the district will be saving over \$40,000. He fails to mention that you are also receiving much less service. The amount of line cleaning will be reduced by over three and a half times from 273,719 feet to 79,360 feet. At that rate you will be cleaning your sewer lines an average of once every 5 years. Over time this will likely have the effect of increasing your costs due to emergency call-outs for sewer back-ups.

Sincerely,



James L. Shanks, P.E.
Director of Public Works & Utilities

file: cgvsd10