

**MINUTES OF A SPECIAL COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS
JANUARY 12, 2000**

The meeting was called to order at 7:05 P.M. by Mayor Keith Broadhead. Council members attending: Kirk Greenhalgh, LaDue Scovill, Marilyn Clayson, Walt Callaway, and Frank Staheli.

Others present: City Manager Tom Austin, City Engineer Dave Lund, and Planning Commission Chairperson Filip Askerlund.

TEST WELL BID

City Engineer Lund reviewed the 2 bids received for the drilling of a test water well (see attachments "A").

Council member Staheli moved to award the bid for drilling Test Well #2 to Tri-State Drilling, Inc. contingent upon obtaining the proper right-of-ways and award the bid for drilling Test Well #1 to Tri-State Drilling, Inc. contingent upon needed land acquisition. ^{and proper survey.} Council member Greenhalgh seconded the motion with an unanimous vote.

ADJOURNMENT

Council member Scovill moved to adjourn with a second from Council member Callaway and an unanimous vote.

Approved on January 19, 2000.



Keith Broadhead, Mayor



Susan B. Farnsworth, Recorder

January 12, 2000

To: Mayor Broadhead
City of Santaquin

From: Chris Glascock
Sunrise Engineering, Inc.

Mayor Broadhead:

Sunrise Engineering prepared and submitted bid packages, for the City of Santaquin Test Wells 1 and 2, to four well drilling companies:

1. Scoffield Drilling
2. Zimmerman Well Service
3. Tri-State Drilling
4. Bud Weber Drilling

All four drilling companies were contacted and afforded the opportunity to visit the proposed sites on January 6, 2000. Zimmerman was the only company that requested and accomplished the site visit.

The bid packages had to be completed and returned to the Engineer by 5:00 PM on January 7, 2000. Tri-State Drilling and Zimmerman Well Service were the only responsive bidders. A Bid Tabulation Sheet (see attached) has been prepared, by the Engineer for bid comparison.

The Engineers review and comments of the respective bids are as follows:

1. Tri-State is the only bidder that was responsive to all items on the bid package. Zimmerman's bid shows that for Item 2, Zimmerman wanted to use cost plus 10%.
2. Tri-State is the low bidder by approximately 33%.
3. Tri-State appears to be high on the price for setting the pump for the water tests (Item 7), and Sunrise feels that negotiations for a decrease in the indicated costs by \$1,000.00 to \$1,500.00 are justified.
4. Tri-State has committed to begin work 3 weeks earlier than Zimmerman, which shows them completing before Zimmerman could start.

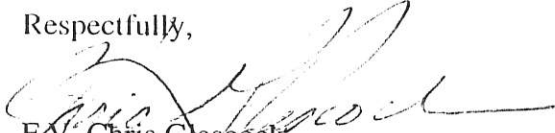
Tri-State Drilling is currently installing a well for Manila, Utah with Sunrise, Engineering. Their previous work has been satisfactory and their personnel responsive to our requests.

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It is for the above specified reasons that Sunrise Engineering feels that after negotiations with Tri-State, pertaining to the costs to set the pump, a contract be awarded to Tri-State for the drilling of the City of Santaquin Test Well 1.

If you have any questions or comments, please do not hesitate to contact me at (435) 743-6151.

Respectfully,



E.V. Chris Glascock
Sunrise Engineering

Cc: Dave Lund

ATTACHMENT "A"

CONTRACT FOR: CITY OF SANTAQUIN - DRILLING AND TESTING OF A TEST WELL

The undersigned Bidder, having examined the site and determined the scope of the Work, hereby proposes to perform the work described herein for the following unit prices or lump sum amounts.

Notes:					
1. Bids shall include sales tax and all other applicable taxes and fees					
2. All bids shall be checked for errors. If errors are made, unit prices shall govern and corrections will be made according to the unit price and totals will be revised to reflect the corrections.					
No.	Item	Quantity	Unit	Unit Price	Amount
1	Mobilization	1	L.S.	3,500.00	3,500.00
2	Clear, Grub & Site Earth Work	1	L.S.	2,000.00	2,000.00
3	(3) Mud Rotor Drill and Log (6") Test Bore Hole	700	Ln.Ft.	20.00	14,000.00
4	Geophysical Well Log	1	Ea.	3,000.00	3,000.00
5	(4) Install PVC Casing (6")	100	Ln.Ft.	20.00	2,000.00
6	Install Annular Seal (Isolate Surface Aquifer)	1	L.S.	750.00	750.00
7	Set Pump (50 ft. from bottom of well)	6501	Ln.Ft.	8.00	8.00
8	Aquifer Water Sampling	2	Ea.	200.00	400.00
9	Aquifer Pump Test (Step Draw-Down)	8	Hr.	110.00	880.00
10	Aquifer Pump Test (Constant Rate)	24	Hr.	110.00	2,640.00
11	(1) Cap Test Well	1	L.S.	100.00	100.00
12	(1) Abandon Test Well & Reclaim Site	1	L.S.	3,500.00	3,500.00
13	(2) Capture, Transport & Dispose of Drill Cuttings	1	L.S.	1,000.00	1,000.00
TOTAL					93,778.00

8x650 = 5,200

CAP \$ 39,470.00
 ABANDON \$ 38,870.00

- (1) If the test well provides desired water quality and quantity, the Contractor shall cap the test well. If the test well proves inadequate for the Owner, the Contractor shall Abandon the Test Well and Reclaim the site. only one of the two line items (Line Item 12 or Line Item 13) will be paid.
 - (2) The Contractor shall haul the drill cuttings to a land fill designated by the Owner/Engineer.
 - (3) The quantity indicated is a not to exceed amount without written authorization from the Engineer. Payment for this item is based on actual quantity at the specified unit price.
 - (4) This is an estimated quantity, actual quantity is to be paid according to unit price indicated.
 - (5) Anticipated start work date 2/1/00 and completion of work date 2/15/00.
- The undersigned Bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons bidding on the work.

Seal (if bid is by Corporation)

Respectfully Submitted:

Bidder: Tri-South Drilling, Inc.

Signature: [Signature]

Title: President

License No. # 710

Date: 1-6-00

Address: 4501 47th Ave Corale
 St George, UT 84770

Council meeting

Attachment "A" 1-12-00
BID SCHEDULE TEST WELL 2

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ATTACHMENT "A"

CONTRACT FOR: CITY OF SANTAQUIN - DRILLING AND
TESTING OF A TEST WELL

The undersigned Bidder, having examined the site and determined the scope of the Work, hereby proposes to perform the work described herein for the following unit prices or lump sum amounts.

Notes:

1. Bids shall include sales tax and all other applicable taxes and fees
2. All bids shall be checked for errors. If errors are made, unit prices shall govern and corrections will be made according to the unit price and totals will be revised to reflect the corrections.

No.	Item	Quantity	Unit	Unit Price	Amount
1	Mobilization	1	L.S.	2,000.00	2,000.00
2	Clear, Grub & Site Earth Work	1	L.S.	2,000.00	2,000.00
3	(3) Mud Rotor Drill and Log (6") Test Bore Hole	700	Ln.Ft.	20.00	14,000.00
4	Geophysical Well Log	1	Ea.	3,000.00	3,000.00
5	(4) Install PVC Casing (6")	100	Ln.Ft.	20.00	2,000.00
6	Install Annular Seal (Isolate Surface Aquifer)	1	L.S.	750.00	750.00
7	Set Pump (50 ft. from bottom of well)	6501	Ln.Ft.	8.00	8.00
8	Aquifer Water Sampling	2	Ea.	200.00	400.00
9	Aquifer Pump Test (Step Draw-Down)	8	Hr.	110.00	880.00
10	Aquifer Pump Test (Constant Rate)	24	Hr.	110.00	2,640.00
11	(1) Cap Test Well	1	L.S.	100.00	100.00
12	(1) Abandon Test Well & Reclaim Site	1	L.S.	3,500.00	3,500.00
13	(2) Capture, Transport & Dispose of Drill Cuttings	1	L.S.	1,000.00	1,000.00
TOTAL					32,278.00

5,200

- (1) If the test well provides desired water quality and quantity, the Contractor shall cap the test well. If the test well proves inadequate for the Owner, the Contractor shall Abandon the Test Well and Reclaim the site. only one of the two line items (Line Item 12 or Line Item 13) will be paid.
- (2) The Contractor shall haul the drill cuttings to a land fill designated by the Owner/Engineer.
- (3) The quantity indicated is a not to exceed amount without written authorization from the Engineer. Payment for this item is based on actual quantity at the specified unit price.
- (4) This is an estimated quantity, actual quantity is to be paid according to unit price indicated.
- (5) Anticipated start work date 2/15/00 and completion of work date 3/1/00
- The undersigned Bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons bidding on the work.

CAP \$33,970.00
ABANDON \$37,370.00

Seal (if bid is by Corporation)

Respectfully Submitted:

Bidder: TRF STATE DRILLING INC.Signature: Robert C. BalanTitle: PresidentLicense No. # 710Date: 1-6-00Address: 45 W. 475 No. Corbett
St. George, UT 84002

Bid Test Well 2 Santaquin.XLS

BID SCHEDULE TEST WELL 1

ATTACHMENT "A"

CONTRACT FOR: CITY OF SANTAQUIN - DRILLING AND TESTING OF A TEST WELL

The undersigned Bidder, having examined the site and determined the scope of the Work, hereby proposes to perform the work described herein for the following unit prices or lump sum amounts.

Note: 1. Bids shall include sales tax and all other applicable taxes and fees.
2. All bids shall be checked for errors. If errors are made, unit prices shall govern and corrections will be made according to the unit price and totals will be revised to reflect the corrections.

No.	Item	Quantity	Unit	Unit Price	Amount
1	Mobilization	1	L.S.	4500.00	4500.00
2	Clear, Grub & Site Earth Work	1	L.S.	Cost + 10%	*
3	(3) Mud Rotor Drill and Log (6") Test Bore Hole	700	Ln.Ft.	30.00	21000.00
4	Geophysical Well Log	1	Ea.	2990.00	2990.00
5	(4) Install PVC Casing (6")	100	Ln.Ft.	51.00	5100.00
6	Install Annular Seal (Isolate Surface Aquifer)	1	L.S.	750.00	750.00
7	Set Pump (50 ft. from bottom of well)	1	Ln.Ft.	5.50	3575.00
8	Aquifer Water Sampling	2	Ea.	450.00	900.00
9	Aquifer Pump Test (Step Draw-Down)	8	Hr.	125.00	1000.00
10	Aquifer Pump Test (Constant Rate)	24	Hr.	125.00	3000.00
11	(1) Cap Test Well	1	L.S.	100.00	100.00
12	(1) Abandon Test Well & Reclaim Site	1	L.S.	5500.00	5500.00
13	(2) Capture, Transport & Dispose of Drill Cuttings	1	L.S.	2500.00	2500.00
TOTAL Does Not include Item #2					\$59455.00

* 2,000 for comparison

CAP + 47,415

ABANDON \$ 58,815

(1) If the test well provides desired water quality and quantity, the Contractor shall cap the test well. If the test well proves inadequate for the Owner, the Contractor shall Abandon the Test Well and Reclaim the site. only one of the two line items (Line Item 12 or Line Item 13) will be paid.

(2) The Contractor shall haul the drill cuttings to a land fill designated by the Owner/Engineer.

(3) The quantity indicated is a not to exceed amount without written authorization from the Engineer.

Payment for this item is based on actual quantity at the specified unit price.

(4) This is an estimated quantity, actual quantity is to be paid according to unit price indicated.

(5) Anticipated start work date 2/22/2000 and completion of work date 3/10/2000.

The undersigned Bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons bidding on the work.

Seal (if bid is by Corporation)

Respectfully Submitted:

Bidder: Mike Zimmerman Well Service, LC

Signature: Mike Zimmerman

Title: Manager

Licence No. 527

Date: 1-5-2000

Address: 7888 West 2100 South

Magna, Utah 84044

Bid Test Well 1 Santaquin.XLS

BID SCHEDULE TEST WELL 2

ATTACHMENT "A"

CONTRACT FOR: CITY OF SANTAQUIN - DRILLING AND TESTING OF A TEST WELL.

The undersigned Bidder, having examined the site and determined the scope of the Work, hereby proposes to perform the work described herein for the following unit prices or lump sum amounts.

Notes:

1. Bids shall include sales tax and all other applicable taxes and fees.
2. All bids shall be checked for errors. If errors are made, unit prices shall govern and corrections will be made according to the unit price and totals will be revised to reflect the corrections.

No.	Item	Quantity	Unit	Unit Price	Amount
1	Mobilization	1	L.S.	4500.00	4500.00
2	Clear, Grub & Site Earth Work	1	L.S.	Cost + 10%	*
3	(3) Mud Rotor Drill and Log (6") Test Bore Hole	700	Ln.Ft.	30.00	21000.00
4	Geophysical Well Log	1	Ea.	2990.00	2990.00
5	(4) Install PVC Casing (6")	100	Ln.Ft.	51.00	5100.00
6	Install Annular Seal (Isolate Surface Aquifer)	1	L.S.	750.00	750.00
7	Set Pump (50 ft. from bottom of well)	1	Ln.Ft.	5.50	3575.00
8	Aquifer Water Sampling	2	Ea.	450.00	900.00
9	Aquifer Pump Test (Stop Draw-Down)	8	Hr.	125.00	1000.00
10	Aquifer Pump Test (Constant Rate)	24	Hr.	125.00	3000.00
11	(1) Cap Test Well	1	L.S.	100.00	100.00
12	(1) Abandon Test Well & Reclaim Site	1	L.S.	5500.00	5500.00
13	(2) Capture, Transport & Dispose of Drill Cuttings	1	L.S.	2500.00	2500.00
TOTAL		Does Not Include Item #2			\$59455.00

* 2,000 for comparison

- (1) If the test well provides desired water quality and quantity, the Contractor shall cap the test well. If the well proves inadequate for the Owner, the Contractor shall Abandon the Test Well and Reclaim the site only one of the two line items (Line Item 12 or Line Item 13) will be paid.
 - (2) The Contractor shall haul the drill cuttings to a land fill designated by the Owner/Engineer.
 - (3) The quantity indicated is a not to exceed amount without written authorization from the Engineer. Payment for this item is based on actual quantity at the specified unit price.
 - (4) This is an estimated quantity, actual quantity is to be paid according to unit price indicated.
 - (5) Anticipated start work date 2/22/2000 and completion of work date 3/10/2000.
- The undersigned Bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons bidding on the work.

test CAP \$ 47,415
ABANDON \$ 52,815

Seal (if bid is by Corporation)

Respectfully Submitted:

Bidder: Mike Zimmerman Well Service, LC

Signature Mike Zimmerman

Title: Manager

License No. 527

Date: 1-5-2000

Address: 7888 West 2100 South

Magna, Utah 84044

Bid Test Well 2 Santaquin.XLS

Zimmerman Well Service, Inc.

• Waterwells • Residential, Commercial, Industrial • Pump Installation and Service •

7888 West 2400 South • Magna, Utah 84044 • 250-1400 • FAX 250-1047

January 7, 2000

Chris Glascock
Sunrise Engineering, Inc.
25 East 500 North
Fillmore, Utah 84631

Via Facs: 435-743-7900

RE: Mike Zimmerman Well Service, LC Proposals on Drilling Options

Dear Chris:

Mike Zimmerman Well Service, LC, appreciates the opportunity to quote our services on your project. Below are two drilling options that might be considered.

OPTION A

Air Rotary with Casing Hammer
Drill and Drive 6" Casing to Bedrock

DESCRIPTION	UNIT	UNIT PRICE
1. Drilling	LF	\$26.00
2. 6" Casing	LF	\$6.00
3. 6" Drive Shoe (Note: This shoe is designed for overburden drilling system)	EA	\$450.00
4. Drill 6" Air Rotary to T.D.	LF	\$6.00

OPTION B

Drill and Drive 8" Casing to Bedrock

DESCRIPTION	UNIT	UNIT PRICE
1. Drilling	LF	\$28.00
2. 8" Casing	LF	\$11.00
3. 8" Drive Shoe (Conventional Drive Shoe)	EA	\$125.00
4. Drill 8" Air Rotary to T. D.	LF	\$28.00

Item #4

Geophysical log includes E-log 16" & 64" normal and single point resistance, Gamma Ray Neutron and Caliper.

Item #5

Includes 8 3/4" or 10" borehole with 6" PVC casing.

Item #6

Cement grout placed around bottom 10' of 6" PVC casing to prevent upper water migration and washouts.

Item #8

Includes transportation and rush job on samples (one (1) week turnaround).



SANTAQUIN TEST WELL DRILLING PROJECT
BID TABULATION FOR WELL NO. 1
01/12/00

BID ITEMS	EST. QUAN.	UNIT	Tri-State Drilling		Mike Zimmerman Well Service		Mike Zimmerman Well Service - Opt A		Mike Zimmerman Well Service - Opt B		REMARKS
			UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	
1 Mobilization	1	L. S.	3,500.00	3,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	
2 Clear, Grub & Site Earth Work	1	L. S.	2,000.00	2,000.00	Cost + 10%	*2,000.00	Cost + 10%	*2,000.00	Cost + 10%	*2,000.00	* Zimmerman based item on cost plus 10% (see note 1)
3 (7) Mud Rotor Drill and Log (6") Test Bore Hole	700	Ln.Ft.	20.00	14,000.00	30.00	21,000.00	26.00	18,000.00	28.00	19,600.00	
4 Geophysical Well Log	1	Ea.	3,000.00	3,000.00	2,990.00	2,990.00	2,990.00	2,990.00	2,990.00	29,900.00	
5 (11) Install PVC Casing (6")	100	Ln.Ft.	20.00	2,000.00	51.00	5,100.00	6.00	600.00	11.00	1,100.00	
6 Install Annular Seal (Iso. Surface Aquifer)	1	L. S.	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	
7 Set Pump (50 ft. from bottom of well)	650	Ln.Ft.	8.00	5,200.00	5.50	3,575.00	5.50	3,575.00	3,575.00	3,575.00	
8 Aquifer Water Sampling	2	Ea.	200.00	400.00	450.00	900.00	450.00	900.00	450.00	900.00	
9 Aquifer Pump Test (Step Draw-Down)	8	Hr.	110.00	880.00	125.00	1,000.00	125.00	1,000.00	125.00	1,000.00	
10 Aquifer Pump Test (Constant Rate)	24	Hr.	110.00	2,640.00	125.00	3,000.00	125.00	3,000.00	125.00	3,000.00	
11 (8) Cap Test Well	1	L. S.	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
12 (8) Abandon Test Well & Reclaim Site	1	L. S.	3,500.00	3,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	
13 Capture, Haul & Dispose of Drill Cuttings	1	L. S.	1,000.00	1,000.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	
14 Drill 6" Air Rotary to T.D.	700	Ln.Ft.					6.00	4,200.00	28.00	19,600.00	
15 6" Drive Shoe (Designed for overburden)	1	Ea.					450.00	450.00			Cost depends on amount of drive shoes used
16 8" Drive Shoe (Conventional Drive)	1	Ea.							125.00	125.00	Cost depends on amount of drive shoes used
17 TOTAL (Cap for Production Well)				35,470.00		47,415.00		44,565.00		88,525.00	
18 TOTAL (Abandon Well and Reclaim Site)				38,870.00		52,815.00		49,965.00		93,925.00	

- NOTES:
- For bid comparison purposes, we have used \$2,000.00 for Zimmerman's bids for item 2 to match Tri-State
 - Tri-State bid shows item 7 as \$8.00/Ln.Ft., we have extended the price for setting the pump at maximum depth of 650 Ft. = \$5,200.00
 - Zimmerman's Option A utilizes Air Rotary with Casing Hammer and to Drill and Drill 6" Casing to Bedrock.
 - Zimmerman's Option B is to Drill and Drive 8" Casing to Bedrock.
 - Zimmerman's Mud Rotor Drill Bid had math error. Showed total bid price \$59,455.00 without item 2, which they bid cost + 10%
 - Zimmerman gives no cost differential between Well Site 1 and 2, whereas, Tri-State gives us a cost savings of \$1,500.00 for Mobilization on Test Well 2.
 - The quantity indicated is a not to exceed amount without written authorization from the Engineer.
 - If water test satisfactory, Contractor shall cap Test Well. If test is not satisfactory, Contractor shall abandon Test Well and reclaim site.
 - Only one of the two line items (Item 11 or Item 12) will be paid.
 - Tri-State will start work on Test Well 1 on 2/15/00 and complete by 2/15/00. Start Test Well 2 on 2/15/00 and complete by 3/1/00.
 - Zimmerman shows starting Wells 1 & 2 on 2/22/00 and completing by 3/10/00.
 - This is an estimated quantity only, actual quantity installed at the unit price indicated will determine total cost.