

INVITATION FOR BID 21064
Exploratory Geothermal Drilling Services
Department of Natural Resources (DNR)

Bids are Due:	Wednesday, May 30 at 2pm SHARP
Physical Location:	1500 Jefferson St. SE Olympia, WA 98501
Mailing Address:	PO Box 41017 Olympia, WA 98504-1017
Procurement Coordinator:	Melanie Williams 360-407-9399 melanie.williams@des.wa.gov
Pre-Bid Meeting (Optional)	May 18, 2012 at 2:00 pm 1500 Jefferson Street Room 2331 Olympia, WA 98501
Map to the Capital Campus	http://www.ga.wa.gov/images/Campus-Map.pdf
Directions/Parking	http://www.ga.wa.gov/Visitor/direction-park.htm

BIDS MUST BE RECEIVED AND TIME STAMPED ON OR BEFORE THE DATE AND TIME LISTED ABOVE AT THE LOCATION LISTED ABOVE REGARDLESS OF DELIVERY METHOD (US MAIL / PACKAGE DELIVERY).

ANNOUNCEMENT AND SPECIAL INFORMATION:

Bidders are required to read, understand and accept all information contained within this entire IFB package. By responding to this IFB the bidder signifies they have read, understand, and accept these documents, terms and conditions and they are incorporated by reference.

If awarded, the issuance of a purchase order reflects acceptance of your quotation.

In support of the State's economic and environmental goals, we encourage you to consider the following elements in responding to our solicitations. These are not a factor of award (unless otherwise specified in this document):

- **Using environmentally preferable products and products that exceed EPA guidelines**
- **Supporting a diverse supplier pool, including small, minority, and women-owned firms**
- **Featuring products made or grown in Washington.**

Purchase Orders may be transmitted in electronic form with no wet signature; this will be acceptable to and accepted by the awarded bidder.

PURPOSE:

The purpose of this IFB is to solicit bids for Exploratory Geothermal Drilling Services. At this time the State of Washington has six possible sites to be drilled. Ultimately, the state anticipates up to five of the six sites will be selected for drilling, but reserves the right to drill all six. Therefore, this is for the as needed drilling services at these locations. The state does not guarantee any minimum purchase. Awarded contractor accepts the risk of zero sales.

PURCHASER SHIP TO LOCATON:

Drilling will occur based on these six locations (see attached maps):

- A) Swift Creek, Skamania County
- B) Northwoods, Skamania County
- C) Wind River, Skamania County
- D) Laurel, Klickitat County
- E) Outlet Creek, Klickitat County
- F) Box Canyon Quarry, Klickitat County

SCOPE OF WORK

Expected Procedure for Drilling Exploratory Boreholes

- Drilling Program
 - Prepare drilling site for designated work as defined herein. Any site alterations shall be pre-approved by DNR.
 - Mobilize and set up necessary equipment. New road construction, road maintenance, or ground modifications will not be necessary for drill sites.
 - Drill 6 inch diameter boreholes to a total depth (TD) of 700 feet.
 - Contractor is responsible for verifying vertical deviation regularly during drilling. A successful borehole will be approximately 700 feet deep and nearly vertical so that tubing can be deployed to total depth without obstruction this will allow DNR to accurately gather temperature gradient data. The tubing on the completed borehole will be as straight and vertical as feasible, with a vertical deviation of not greater than five (5) degrees at TD.
 - Provide a grab sample to the DNR geologist for every 10 feet as drilling proceeds to wash, bag, and label.
 - Install temporary or permanent surface casing into bedrock to prevent collapse in poorly consolidated materials, as necessary.
 - Finish boreholes with a cemented 2-inch inner-diameter (ID) steel casing for temperature gradient logging. The 2-inch steel casing will meet or exceed the minimum standards outlined in WAC 173-160-201.
 - Casing will be fully cemented in place using a neat cement grout as defined in WAC 173-160-221 (2)(b) from TD upward to the surface using a tremie pipe or similar method in the borehole annulus. Cement curing retardants will be available for use depending on downhole temperatures. Additional sealing material may need to be added due to settling. The casing will be capped at the top during cementing.
 - The 2-inch steel casing will be capped at bottom and filled to the surface with potable water and upon completion, capped at top.
 - After cement has fully cured, the Contractor will lower a dummy tool to TD to confirm that the casing is open to TD. If casing is blocked, it is the Contractors responsibility to remove blockage from casing.
 - Finish boreholes 3 to 12 inches below grade.
 - Install a removable and lockable cap and flush mounted monument.
 - Contractor may be required to provide Extended Casing through poorly consolidated overburden beyond 50 feet in depth; this could involve drilling and advancing 6, 8, 10 and 12-inch casing, as necessary.
 - Contractor may be required to provide extra hours of rig operation time due to adverse drilling conditions (for example but not limited to, the occurrence of losses of circulation that requires cementing before continuing to drill).
- On-Site Mobilization
 - This work shall consist of setting up a working platform and driving, skidding or otherwise moving machinery into and out of the drill site, as required to complete the work as specified.
 - All access routes shall have the approval of the State Geologist before construction begins.
 - Drilling Site Conditions
 - Contractor will contain all drilling fluids on-site and dispose of them in accordance with environmental regulations.
 - Contractor will anticipate and control any artesian conditions and be in compliance with environmental laws. An emergency sealing plan will be written up and onsite during drilling. If flowing artesian zones are encountered during drilling the flow will be contained on the drilling site in accordance with WAC 173-160-251.
 - Any water introduced into the borehole for drilling purposes will be in accordance with WAC 173-160-341. Any additives to the drilling fluid will be certified by NSF/ANSI approved standards for use in potable water supply wells or equivalent standards as approved by DNR. All products will be clearly labeled as meeting these standards.
 - Hole Abandonment
 - In the event that a borehole must be abandoned due to drilling conditions, with mutual agreement of the DNR drill site geologist and the Contractor, DNR will pay the Contractor for the cost

- associated with the drilling up to the point of abandonment. Drilling should recommence as soon as possible at an alternate location as determined by the DNR drill site geologist and permitting.
- Contractor must properly plug and abandon holes according to the Department of Ecology's requirements. Hole Abandonment charge shall cover all related cost.
- Contractor may be required to return to drill site and abandon wells within 2 years of drilling in accordance to WAC 173-160-381.
- Clean-up Requirements
- Contractor will clean-up the well site by restoring and reclaiming surrounding area to natural or pre-existing conditions in accordance with WAC 332-17-300.
- Contractor is responsible for the disposal of cuttings and drilling fluids in accordance with environmental regulations and as requested by land owner. Cuttings may be spread on-site to match the original contour; given:
 - The cuttings and fluids are not contaminated;
 - None of the cuttings are placed down the bore hole or used as any portion of a well seal;
 - The drilling fluids and cuttings would not leave the drill site;
 - The drilling fluids and cuttings would not become a source of present or future contamination (i.e. enter surface water or road surfaces); and the removal of the drilling fluids and cuttings is not required by other local, state, and federal regulations.

EQUIPMENT

- All drilling equipment and tools shall have been maintained in good operating condition prior to being mobilized to the site.
- Contractor shall repair or replace any nonfunctioning drilling equipment and all other equipment and tools used at a job site so not to cause a delay to DNR, at no additional cost to DNR and within 24 hours. Contractor shall not charge Stand-by Time while waiting for equipment to be fixed.

MISCELLANEOUS RATES

- A. Job Mobilization
 - The contract price for Job Mobilization shall be full compensation for mobilizing and demobilizing all equipment, tools, materials, and personnel necessary to complete the work as specified.
 - Contractor shall not charge for daily travel to site or per diem charges, these items are inclusive in the unit contract price for Job Mobilization.
- B. Stand-by Hourly Rate
 - Stand-by hourly rate will be allowed when any delay in project activity is due to negligence by DNR (e.g. State Inspector late arrival, utility locates not complete, or change in a drilling program developed after the job start, etc.) Contractor shall receive DNR approval for stand-by charges.
- C. Extended Casing Charge
 - Cost per foot for drilling and advancing 6-, 8-, 10-, 12-inch casing through any poorly consolidated overburden beyond 50 feet in depth at any borehole. The cost is to cover the material cost of surface casing, auxiliary air compressors and drilling difficulty.
- D. Adverse Drilling Conditions Charge
 - Cost per additional hour of rig operation time due to adverse drilling conditions (for example, the occurrence of losses of circulation that require cementing before continuing to drill). The occurrence of adverse condition must be verified by DNR drill site geologist before this charge may be applied.
- E. Special Equipment Charge
 - Any special equipment that is required for a job and that must be rented, such as, but not limited to, a helicopter, crane, bulldozer, backhoe, excavator, other heavy or industrial equipment, may be charged at no more than the rental cost plus 15%. The 15% charge is to cover the Contractor's administrative cost of providing the item and DNR reserves the right to negotiate a lesser amount of the percentage charge on expensive rentals. The Contractor shall provide three (3) competitive bids for each rented piece of equipment when possible and provide proof of bidding to DNR. DNR shall not pay more than the lowest responsible responsive cost provider of the rented special equipment.

PRE-BID CONFERENCE

An optional pre-bid conference to address solicitation requirements will be held at the time and location indicated below. While attendance is not mandatory, vendors are encouraged to attend and actively participate. If interpretations, specifications, or other changes to the solicitation are required as a result of the conference, the Contracts Specialist will issue an amendment that will be posted on WEBS.

Assistance for disabled, blind, or hearing-impaired persons who wish to attend is available with prior arrangement with the Contracts Specialist listed on the face page of this solicitation.

Pre-Bid Date:	5/18/12
Pre-Bid Time:	2:00 pm
Pre-Bid Location	1500 Jefferson St. SE Olympia, WA 98504 Room 2331

BID OPENING PROTOCOL

After the Bid due date and time, the designated Bid Clerk shall open and process any mailed or delivered Bids protecting the confidentiality of the contents. The names of the Bidders shall be recorded and made available upon request. Not until the Contract has been awarded shall the contents become available for public view.

NOTE: Bid information, including price worksheets, will not be available for public disclosure until after award of the Contract consistent with RCW 43.19.1911(8).

EVALUATION AND AWARD:

Award will be made to **one** contractor based on the lowest evaluated price, most responsible and responsive bidder after application of any preferences and penalties required by law or the solicitation.

All Unit Price cells must be populated with a dollar amount rounded to two places to the right of the decimal. If the state has to round, due to a third placement or greater, for evaluation purposes, the state will round up and not down.

All "Total Unit Price" cells will be summed to form a Pricing Information Total. This total will be subjected to any preferences and penalties required by law or the solicitation to form an award basis total. The responsive and responsible bidder with the lowest award basis total will be designated the Apparent Successful Bidder (ASB) and will likely receive an award.

Tie Bids: In the event of a tie bid, the tied bidders will be given an opportunity to improve their bid pricing to determine and facilitate an award. If necessary this may continue in successive rounds.

If successive rounds are not effective in securing a single award, at the state's sole discretion the tie may be broken in a method mutually agreed to by the Procurement Coordinator and the remaining tied bidders. The prevailing bidder selected through an agreed tie-breaker method will be awarded the contract.

Upon award, written notification will be sent to all Bidders. After award, information regarding results of the IFB may be obtained by contacting the Procurement Coordinator. Bidders may submit a public disclosure request to either schedule an appointment to review the procurement file or obtain specific documents.

INSTRUCTION TO BIDDERS

9.1 AUTHORIZED COMMUNICATION

Upon release of this IFB, all Bidder communications concerning this IFB must be directed to the Procurement Coordinator as identified on the cover page of this IFB. Unauthorized contact regarding this IFB with other state employees involved with the IFB may result in disqualification. All oral and written communications will be considered unofficial and non-binding on the state. Bidders shall only rely on this IFB document and any Amendments issued prior to the Bid due date and time.

9.2 BIDDER COMMUNICATION RESPONSIBILITIES

Bidders are responsible for communicating to the Procurement Coordinator any issues, questions, exceptions, additions or omissions concerning the IFB as soon as possible. An explanation of the issue must be submitted in writing to the Procurement Coordinator. Failure to notify the Procurement Coordinator may be considered by the Purchasing Activity to be a waiver of the issue by the Bidder for protest purposes. If changes result, written amendments will be made by the Procurement Coordinator and provided by posting them on WEBS.

Bidders are encouraged to make any inquiry as early in the process as possible to allow DES to consider and respond; however, no response is required.

9.3 BIDDER AUTHORIZED REPRESENTATIVE

Bidder is to designate an Authorized Representative who will be the principal point of contact for the state Procurement Coordinator for the duration of this IFB process. Bidder is to complete the attached Bidder Profile.

9.4 PREPARATION OF BIDS

Due date and time:

- The original, signed (in ink), Bid must be received at the location on the cover page of this IFB by the due date and time (also identified on the cover page) in a sealed container or envelope.
- Time of receipt will be determined by the official time stamp located at the Office of State Procurement. If a Bid is late or received at a location other than that specified, it shall be rejected and disqualified. In the event the official time clock is unavailable, the bid clerk may establish the official time and take reasonable steps to ensure the integrity of the Bid receipt is preserved.

Format:

Hard copy Bids must be legible and completed in ink or with electronic printer or other similar office equipment, and properly signed by an authorized representative of the Bidder. All changes and/or erasures shall be initialed in ink. Unsigned Bids will be rejected on opening unless satisfactory evidence was submitted clearly establishing the Bidder's desire and intent to be bound by the Bid or Proposal, such as a signed cover letter. Incomplete or illegible Bids and Proposals may be rejected.

Note: In a joint effort to save costs, reduce waste and produce energy savings, bidders are encouraged to use double-sided printing and recyclable materials. Bidders are highly encouraged to refrain from submitting Bids in 3-ring binders, spiral bindings, and/or other non-recyclable presentation folders.

Identification and Delivery: To facilitate proper delivery and processing, Bids must be delivered in sealed envelopes, boxes or other method of containment. Sealed Bids should be clearly identified on the outside of the package with the following information to the Purchasing Coordinator at the address below:

(Bidder's Company Name)	Attention: Melanie Williams
(Bidder's Address)	Department of Enterprise Services
(Solicitation Number)	Office of State Procurement
(Bid Due Date and Time)	1500 Jefferson St. SE
	PO Box 41017
	Olympia, WA 98504-1017

SUBMITTALS:

- Mandatory submittals: Failure to submit the mandatory submittals may be deemed non-responsive and will result in bid rejection.
- Non-mandatory submittals: It is the state's preference that non-mandatory submittals be included in your bid response package. If not received in the bid response and upon the state's request, you will have five business days to provide the missing submittals or face being deemed non-responsive/non-responsible.
- Failure to comply with the material requirements of any mandatory or non-mandatory submittal may result in bid rejection due to non-responsive/non-responsibility.
- Specification Requirements Submittal: For each specification, the bidder must either mark the "Check if As Specified" box or fully explain the alternative in the "Describe Offered Alternatives" box. Failure to mark the "Check if As Specified" box increases the risk your bid will be rejected. **DON'T FORGET TO MARK A BOX FOR EACH SPECIFICATION LINE ITEM.**
- Bidder Profile Submittal: Must be complete and submitted.
- Pricing Information Submittal: See submittal below.
- Signature Page Submittal: Must be signed in ink and submitted.
- References and Work History Submittal: Bidder is required to provide at least three (3) commercial/professional references for which bidder has provided services on a contract similar in scope to that described in this IFB. In addition, bidder shall provide a list of twenty-five (25) completed and most recent jobs. The state reserves the right to contact all, some, or none of the references and/or work history customers. The state reserves the right to waive the work history check. Information shall include:
 - Company Name,
 - Address,
 - Contact Person,
 - Telephone, Email,
 - Scope and Duration of Contract.
- Eligibility for award may be impacted where any reference indicates that performance would prohibit entering into future business agreements.
- Solicitation Amendments: Should any be issued, bidders are instructed to follow the Amendment's specific instructions. These may include signing and returning the Amendment with your bid response and/or returning other Amendment submittals.

Submittal Checklist

This checklist is provided for Bidder's convenience only to clarify which items **must** be returned in order for the bid to be responsive. It is the Bidder's responsibility to thoroughly read this IFB and ensure all required information and documents are submitted. Failure to return may impact an award to your firm.

• Specification Requirements	
• Bidder Profile	
• Price Sheet (in ink)	
• Signature Page (signed in ink)	
• References & Work History	
• Signed IFB Amendments (if any)	

Specification Requirements	Check If As Specified	Describe Offered Alternatives <small>Failure to mark the "Check if As Specified" box increases the risk your bid will be rejected</small>
GENERAL SPECIFICATIONS:		
Contractor shall employ a Washington State licensed resource protection well operator as defined in RCW 18.104 to directly supervise all well drilling activity.		
Capability to drill geothermal temperature gradient boreholes 700 feet in depth in both soil and rock conditions.		
Ability to switch between different methods of drilling without subcontracting: 1) down-hole air hammer 2) rotary drilling (including direct air, direct mud and reverse circulation) 3) casing advance utilizing under reamer with 6-, 8-, 10-, and 12-inch diameter.		
Able to deal with loss-of-circulation drilling.		
Able to deal with flowing artesian conditions during drilling, including intermittent cementing and re-drilling when required.		
Contractor will have the option to either file a drilling bond for each well or a blanket bond for more than one well as outlined under WAC 332-17-160.		
Contractor shall be prepared to drill with three weeks prior notice.		
PERMITS, REPORTS, AND LOGS		
Contractor shall abide by all hydraulics permit requirements, shoreline management permits, water pollution control plans, and other permits issued for the projects; DNR is responsible for these associated permit costs.		
Drill all boreholes in accordance with all applicable regulations intended to protect groundwater.		

Contractor shall keep a Drill hole Log with a tabulation of the quantities for each unit price pay item in accordance to the Price Sheet. The records shall be kept up to date daily with the progress of the drilling. A copy of the Drill Hole Log shall be kept at the drill site for inspection by a DNR representative. At the end of each workday, the Contractor and DNR representative shall reconcile their records of the day's drilling pay quantities and a copy of the Contractor's Daily Records provided to the DNR representative. Both the Contractor and the DNR representative shall sign the State's payment record.				
Complete any reports required by the State of Washington and provide a draft to DNR for approval prior to submission to the state.				
DNR will provide a drill site geologist to the drilling project to collect cuttings and log the geology. The drill site geologist will be available and communicate with the Contractor in a timely manner during the execution of the project.		n/a		
This is a Goods & Services Contract. Unlike construction contracts, Change Orders will not be acknowledged. Base your bid accordingly to cover any unforeseen costs.		n/a		

BIDDER PROFILE

CONTRACTOR INFORMATION: Provide the information requested below, which will be used for contract administration purposes:

Authorized Representative:	Name:
	Phone:
	Fax:
	Email:
Legal Business Name:	
Doing Business As (if different from above):	
Federal Tax Identification number:	
WA State Department of Revenue Registration Tax number:	
Company Internet URL Address:	
Company Mailing Addresses:	
Orders to be sent to: Name & Address	
Billing will be from: Name & Address	
Payment to be sent to: Name & Address	
Usage Reporting Contact:	Name:
	Phone:
	Fax:
	Email:

PRICING INFORMATION

The State of Washington has six possible drill sites. The state anticipates up to five sites will be drilled, but reserves the right to drill all six. The state recognizes that some sites may be easier/more difficult. For the purpose of bidding, please provide a blended rate that combines all six locations. Upon award, the blended rate will be used no matter which site or sites are selected for drilling. Quantities for each line item are unknown. A cell left blank may be treated as free of charge or rejected/disqualified.

With the exception of sales tax, all pricing, including but not limited to shipping, MUST be rolled into the Unit Price of the items identified below. No other separate pricing will be allowed or honored. Bid price should be a blended rate. Pricing for individual sites will not be accepted. All prices will be provided in the units specified.

Item	Description	Unit	Total Unit Price
	Drilling		

		<ul style="list-style-type: none"> a) Drilling charge (including air hammer, direct mud, and reverse circulation) 	<ul style="list-style-type: none"> Per Ft. 	<ul style="list-style-type: none"> \$
		<ul style="list-style-type: none"> b) Casing advance method 	<ul style="list-style-type: none"> Per Ft. 	<ul style="list-style-type: none"> \$

•		• T e m p e r a t u r e G r a d i e n t H o l e	•
•		• a) 2 i n c h s t e l p i p e	• P e r f t . \$

		<p>• b) I n s t a l l a t i o n o f p i p p e (c e m e n t i n g . c a p p i n g . f i l l i n g w i t h w a t e r . r e m o v a l o f s u r f a c e c a s i n g i f p o s s i b l e)</p>	<p>• P e r H r .</p>
<p>•</p>		<p>• E x t e n d e d C a s i n g</p>	<p>• \$</p>

.	a) 6 inch diameter	.	Per Job	.\$
.	b) 8 inch diameter	.	Per Job	.\$
.	c) 10 inch diameter	.	Per Job	.\$
.	d) 12 inch diameter	.	Per Job	.\$
.	M I S C E L L A N E O U S R A T E S	.	.	.\$
.	M O B I L I Z A T I O N	.	.	.\$

•		• a) Job Mobilization Flat Charge	• Per Job • \$
•		• b) Onsite Mobilization Costs	• Per Job • \$
•		• STANDBY HOURLY RATE	• Per Hr. • \$
•		• ADVERSE DRILLING CONDITIONS	• Per Hr. • \$

	• H O L E A B A N D O N M 	• P e r H r •	• \$ •
	• R E M O V A L C O S T S •	• P e r H r •	• \$ •
Total: \$			
This contract requires the Bidder to offer and allow the VISA credit card as an acceptable form of payment. Further, Bidder SHALL NOT require any separate charge card fee. Any fees must be rolled into the Unit Price of the item above.			

12. SIGNATURE PAGE:

Bidder further offers to furnish materials, equipment or services in compliance with all terms, conditions, and specifications herein including all amendments. Submitting this document constitutes complete understanding and compliance with the terms and conditions and certifies that all-necessary facilities and personnel are available and established at the time of bid submittal. **DO NOT FORGET A SIGNATURE**

(Company Name)		(Typed Name)
(address)		(Signature)
(City) (State) (Zip)		(Phone and Fax Numbers.)
(Federal Tax Identification Number) (Please do not provide SSN)		(Email)

Purchasing Activity Authorized Signatures/Contact Information:

Agency Name: Department of Enterprise Services, Office of State Procurement
Contracts Specialist Signature: _____ Date: _____, 2012
Name (print): Melanie Williams
Manager Signature (If Applicable): _____ Date: _____
Name (Print): Michael Maverick, Team 3 Unit Manager