



**Meeting Date:** June 20, 2016

**Consent Docket Item:** 2-f

**Report No.:** SUA-16-35

**Department:** Electric Utility

**Subject:** Bid Recommendation: Concrete roadway approaches – SUA Bid #16-15/16

**Budget Impact:** Funding for the contract is available in the Stillwater Energy Center project fund. No additional appropriations are necessary for this action.

**Prior Council Action or Part of an Approved Project:** Yes

**Related Items:** [Stillwater Energy Center approval report SUA-14-31](#)

**Alternatives:**

1. Award the bid for the concrete roadway approaches to Hammer Construction in the amount of \$245,412.
2. Reject the bid from Hammer and direct staff to repeat the bidding process.

**Recommendation:** It is recommended that the Trustees award the bid for the concrete roadway approaches to the lowest responsible bidder, Hammer Construction, in the amount of \$245,412, authorize expenditures from the SEC project fund up to \$269,954 (includes a 10% contingency), and authorize staff to enter into a purchase agreement subject to satisfactory negotiation of the terms and conditions of the purchase.

**Prepared by:** Loren Smith, Electric Utility Director

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**Background Information:** On June 2, 2014, the Trustees approved the Stillwater Energy Center (SEC) project. Since then, staff has been working to procure the equipment, supplies, and construction contracts necessary to complete the project. The concrete roadway approaches will be located in specified locations around the administration building where anticipated heavy equipment traffic could damage asphalt paving.

**Discussion:** Specifications and bid documents were prepared by the project engineer Burns and McDonnell (BMcD). Bid solicitations were advertised in accordance with the City's purchasing manual and bid specifications were sent to perspective bidders on May 18, 2015. On June 8, 2016, two bids were received and opened. The bids were then evaluated by BMcD and staff.

Manufacturer	<u>Bid Price (\$)</u>
Young Construction	198,500
Hammer Construction	245,412

Young Construction submitted the low bid for the project. However, Young's safety record does not meet the minimum safety thresholds specified in the bid documents. Hammer Construction does meet all the specified minimum safety thresholds. Therefore, Hammer submitted the lowest responsible bid.

**Bid Exceptions:** The bid included exceptions to the terms and conditions contained within the bid documents. As part of the bid evaluation process, each exception has been reviewed and additional information has been obtained from the bidder. The exceptions will have to be negotiated with the successful vendor (lowest responsible bidder) prior to execution of a contract.