



Meeting Date: August 15, 2016

Consent Docket Item: 2-e

Report No.: SUA-16-45

Department: Water Resources

Subject: Bid recommendation for the Miscellaneous Waterlines – Chester, Fern, and Tucker Addition (12WC01 / 16DS01) project, 16467 CDBG 15 (2nd of 2 projects)

Budget Impact: If the project is awarded and associated expenditures are authorized by the SUA Trustees, \$124,944 will be administratively appropriated from the SUA's Water Capital Fund.

Prior Council Action or Part of an Approved Project: Yes

Related Items:

- CDBG Contract Authorization: [CC-15-127](#)
- Leigh and Hall Bids: [CC-16-51](#)
- Companion report on the City Council agenda for this meeting date.

Alternatives:

1. Award the construction contract:
 - Award the construction contract to the lowest responsible bidder, Patriot Construction Services, Inc.
 - Authorize staff to execute the construction contract documents
 - Authorize expenditures not to exceed \$360,968 for completion of construction, \$253,916 of which shall be SUA funds as detailed in this report's background Information.
2. Reject all bids and rebid.
3. Reject all bids and return the grant funding to ODOC.

Recommendation: Staff recommends Alternative #1.

Prepared by: Brandon Neal, Water Resources Engineer
Valerie Silvers, Grants Coordinator

Background Information: On October 19, 2015, the Council authorized execution of 2015 Small Cities Set-Aside Program Contract #16467 CDBG 15. The contract includes waterline replacement on Chester

and Fern Streets, relocation of water service connections in Tucker Addition, and drainage channel reconstruction between Leigh and Hall Streets ([CC-15-127](#)). The Leigh and Hall project is currently under construction. On January 6, 2016, staff executed an agreement with RJN Group, Inc. (RJN) to prepare plans, specifications, and bidding documents for the Chester, Fern, and Tucker Addition work. RJN designed the project in compliance with the City’s design standards. The project will replace aging water infrastructure, improving service to the City’s customers in the area.

Bids were solicited in accordance with the City’s purchasing manual. Bids were advertised for in the Stillwater News Press on July 3rd and July 10th, 2016. The Notice to Bidders was made available for download from the City’s web site and sent to prospective bidders, suppliers, and subcontractors throughout the state and region. A copy of the bid documents was sent to state, regional, and national plan houses.

A mandatory pre-bid meeting was conducted on July 21, 2016 with 8 prospective bidders in attendance. Five bids were received and publicly opened on July 29, 2016. Bids were tabulated by the City Clerk and a summary is attached. The lowest responsible bidder was Patriot Construction Services, Inc. RJN has reviewed the submitted bids and recommends award of the construction contract to Patriot. Patriot’s bid was less than the engineer’s estimate of probable cost.

A total of \$360,968 is required to complete the project, including the bid price for the construction contract, a 10% construction contingency, and a 1% allowance for testing and other related costs. A summary is provided, below:

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|---|----------------------|
| Patriot Construction Bid Price | \$ 325,195.96 |
| Construction Contract Contingency (10%) | \$ 32,520.00 |
| Testing and Other Related Costs (1%) | \$ 3,252.00 |
| Total Construction Costs | \$ 360,967.96 |

The CDBG grant will provide \$107,052 of construction funds. Matching funds required for the grant have also been previously appropriated. An additional \$124,944 is required to complete the construction project. These funds will be appropriated administratively from the SUA Water Fund if the contract is awarded. A summary is provided, below:

| | |
|--|----------------------|
| CDBG grant funds previously appropriated (Miscellaneous Waterlines Only) | \$ 107,052.00 |
| SUA funds previously appropriated as matching funds | \$ 128,972.00 |
| SUA funds to be appropriated administratively from the SUA Water Capital Fund | \$ 124,944.00 |
| Total | \$ 360,968.00 |

Because both City and SUA funds will be utilized, the City Council agenda includes a similar companion report.