



City of Grand Island

Tuesday, September 9, 2014

Council Session

Item I-3

**#2014-284 - Consideration of Approving Award for the
Construction North Interceptor II; Project No. 2013-S-4**

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Marvin Strong PE, Wastewater Treatment Plant Engineer

Meeting: September 9, 2014

Subject: Approving Award for the Construction North Interceptor II;
Project No. 2013-S-4

Item #'s: I-3

Presenter(s): John Collins PE, Public Works Director
Terry Brown PE, Manager of Engineering Services
Marvin Strong PE, Wastewater Plant Engineer

Background

Public Works Staff in conjunction with the design engineer, Black & Veatch of Kansas City, Missouri have jointly developed multi-year replacement planning stages for the City of Grand Island's large diameter gravity sanitary sewer interceptor network. The current planned interceptor, entitled the "North Interceptor" will replace aged force main sanitary sewer, reduce or eliminate current sewer pumping station(s), provide additional capacity for existing, and enable new services to areas in and around Grand Island.

The new North Interceptor gravity sewer interceptor route was developed to incorporate and partner with other utilities for the Capital Avenue Widening Project and the new Headworks Pumping Station Project at the Waste Water Treatment Plant.

A phased approach of constructing the North Interceptor was developed as follows:

- Phase I - Wastewater Treatment Plant to 7th Street / Skypark Road (nearing final closeout)
- Phase II (Part A) - 7th Street / Skypark Road to Broadwell Avenue
- Phase II (Part B) - Broadwell Avenue to Webb Road
- Phase II (Part C) - Webb Road to Diers Avenue (Lift Station No. 19)

Phase II Part B will be the first segment built to follow the Capital Avenue Widening project timeline. Phase II Part A will follow and Phase II Part C will end the Phase II sequence. The lift station abandonments (Bid Sections D, E, G, H and I) will follow the completion of Phase II.

Discussion

The Wastewater Division of the Public Works Department advertised for bids for North Interceptor Phase II (Project 2013-S-4) on August 7, 2014 and opened bids on August 20, 2014.

Phase II Construction Highlights include:

- The installation of 20,795 linear feet of large diameter (48-inch) sanitary sewer pipe.
- Elimination of 6 lift stations - #2, #8, #10, #13, #15 & #19 by fall of 2017.

The Public Works Department, Wastewater Division, and the Purchasing Division of the City Attorney's Office have reviewed all bids received. Three (3) bids were received with base bids ranging from \$17,062,782.00 to \$22,632,577.33. The engineer's estimate of cost for the base bid, including alternatives was \$22,074,000.00. The alternatives varied in pricing between the individual bids.

	S.J. Loius Construction, Inc. of Rockville, MN	Oscar Renda Contracting, Inc. of Roanoke, TX	Merryman Excavation of Woodstock, IL
Bid Section A	\$ 11,220,496.50	\$ 12,442,964.00	\$ 14,431,028.56
Bid Section B	\$ 2,652,131.50	\$ 4,586,037.00	\$ 4,056,628.81
Bid Section C	\$ 3,190,154.00	\$ 2,942,401.00	\$ 4,144,919.97
Bid Section D	\$ 610,177.50	\$ 550,232.00	\$ 856,353.12
Bid Section E	\$ 497,755.00	\$ 326,957.00	\$ 544,495.18
Bid Section F	\$ 654,556.00	\$ 244,057.00	\$ 604,130.37
Bid Section G	\$ 712,618.50	\$ 608,794.00	\$ 1,021,886.19
Bid Section H	\$ 1,945,858.50	\$ 1,750,843.00	\$ 2,505,181.29
Bid Section I	\$ 1,493,932.00	\$ 1,433,503.00	\$ 2,030,688.24
Total	\$ 22,977,679.50	\$ 24,885,788.00	\$ 30,195,311.73

**Bid Sections shown with corrected Bid Totals from math errors*

City staff and Consulting Engineers have discussed alternatives and performed value engineering on each bid item and bid section, and are bringing forward the following recommendation:

- Eliminating items that were to rehabilitate sections of storm sewer within the Phase IIA utility ditch, which had higher than expected cost. The work can be done at a later time, utilizing rehabilitation alternatives, and saves the project \$377,360.00.
- Reworking of the 48" Interceptor alignment within the utility ditch and reducing the sheet pile construction, which results in a \$511,200 cost reduction from bid Section A.
- Eliminating Lift Station #4 (Bid Section F), which has been recently rebuilt and as the price was significantly higher than the engineer's estimate. The lift station is in good enough repair to consider this a shelf-ready project for a later date. The elimination of

Lift Station #4 decreases the overall cost of the project to \$21,479,537.50, which is about 1% of the engineer's estimate.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee.
3. Postpone the issue to future date.
4. Take no action on the issue.

Recommendation

City Administration, and design engineer, Black & Veatch recommend that the Council approve award of construction contract to build the North Interceptor Phase II, Project 2013-S-4 to S.J. Louis Construction, Inc. of Rockville, Minnesota.

Sample Motion

Move to approve the bid award to S.J. Louis Construction, Inc. of Rockville, Minnesota in the revised amount of \$21,479,537.50 for the construction of North Interceptor Phase II, Project 2013-S-4.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: August 20, 2014 at 2:00 p.m.

FOR: North Interceptor Phase 2 – Project 2013-S-4

DEPARTMENT: Public Works

ESTIMATE: \$22,143,000.00

FUND/ACCOUNT: Phase IIA: 53030055-85213-53022
Phase IIB: 53030055-85213-53023
Phase IIC: 53030055-852313-53024

PUBLICATION DATE: August 7, 2014

NO. POTENTIAL BIDDERS: 17

SUMMARY

Bidder:	<u>Merryman Excavation</u> Woodstock, IL	<u>S.J. Louis Construction, Inc.</u> Rockville, MN
Bid Security:	Fidelity & Deposit Co.	Liberty Mutual Insurance Co.
Exceptions:	Noted	None
Bid Price:		
Section A:	\$14,431,028.56	\$11,220,496.50
Section B:	\$ 4,056,628.81	\$ 2,652,131.50
Section C:	<u>\$ 4,144,919.97</u>	<u>\$ 3,190,154.00</u>
Total A, B, & G:	\$22,632,577.33	\$17,062,782.00
Section D:	\$ 856,353.12	\$ 610,177.50
Section E:	\$ 544,495.18	\$ 497,755.00
Section F:	\$ 604,130.37	\$ 649,556.00
Section G:	\$ 1,021,886.19	\$ 712,618.50
Section H:	\$ 2,505,181.29	\$ 1,945,858.50
Section I:	\$ 2,030,688.24	\$ 1,493,932.00

Bidder: Oscar Renda Contracting, Inc.
Roanoke, TX
Bid Security: Zurick American Insurance Co.
Exceptions: None

Bid Price:
Section A: \$12,442,964.00
Section B: \$ 4,586,037.00
Section C: \$ 2,942,401.00
Total A, B, & G: \$19,971,402.00

Section D: \$ 550,232.00
Section E: \$ 326,957.00
Section F: \$ 244,057.00
Section G: \$ 608,794.00
Section H: \$ 1,750,843.00
Section I: \$ 1,433,503.00

cc: John Collins, Public Works Director
Mary Lou Brown, City Administrator
Stacy Nonhoff, Purchasing Agent

Catrina DeLosh, PW Admin. Assist.
Jaye Monter, Finance Director
Tara Bevard, PW Project Manager

P1752

**NORTH INTERCEPTOR - PHASE 2
SANITARY SEWER COLLECTION SYSTEM IMPROVEMENTS - SRF
September 2, 2014**

Contractor's Bid Summary

		ENGINEER'S ESTIMATE	<i>S.J. LOUIS CONSTRUCTN.</i>	<i>Above/ Below Engineer's Estimate</i>
BASE BID - BID SECTIONS A, B, C				
	BID SECTION A	\$ 10,210,000	\$10,331,942.50	\$121,942.50
	BID SECTION B	\$ 2,584,000	\$2,652,099.50	\$68,099.50
	BID SECTION C	\$ 3,388,000	\$3,235,154.00	(\$152,846.00)
	<i>SUBTOTAL BASE BID</i>	\$ 16,182,000	\$16,219,196.00	\$37,196.00
BID SECTION 'ADDS'				
	BID SECTION D (Lift Station No. 8)	\$ 640,000	\$610,177.50	(\$29,822.50)
	BID SECTION E (Lift Station No. 13)	\$ 365,000	\$497,755.00	\$132,755.00
	BID SECTION F (Lift Station No. 4)	\$ 370,000	\$654,556.00	\$284,556.00
	BID SECTION G (Lift Station No. 10)	\$ 773,000	\$712,618.50	(\$60,381.50)
	BID SECTION H (Lift Station No. 2)	\$ 1,975,000	\$1,945,858.50	(\$29,141.50)
	BID SECTION I (Lift Station No. 15)	\$ 1,769,000	\$1,493,932.00	(\$275,068.00)
	<i>SUBTOTAL 'ADDS'</i>	\$ 5,522,000	\$5,260,341.50	(\$261,658.50)
	TOTAL ENGINEER'S EST WITH ALL BID SECTIONS	\$ 21,704,000	\$21,479,537.50	(\$224,462.50)

Tim Engemoen
Black & Veatch
6300 South Syracuse Way, Suite 300
Centennial, CO 80111



August 29, 2014

Re: Grand Island North Interceptor – Phase 2

Tim,

With respect to the above mentioned project, S. J. Louis Construction, Inc. would like to formally request that the City of Grand Island accept the intent of the Bid Form as submitted, and allow our typographical errors to be corrected. The typographical errors on our original Bid Form that we request be corrected include the following:

- Correct the unit cost for Bid Item 7.5 (Pasture Seed and Mulch Application) on Bid Section A from "\$1,1000.00" to "\$1,100.00".
 - The intent was "\$1,100.00" but an extra zero was added by mistake. The Bid Item total amount was correct.
- Correct the total cost for Bid Item 4.11 (Additional Depth, 92-Inch Diameter Manhole (Sanitary Sewer, FRP); Standard and Drop) on Bid Section B from "\$8,128.00" to "\$8,096.00".
 - This unit price amount was correct, but an arithmetic error led to this error in the Bid Item total.
- Correct the total for Bid Section B from "\$2,652,131.50" to "\$2,652,099.50".
 - This error was simply arithmetic in nature.
- Correct the unit cost for Bid Item 4.8 (60-Inch Diameter Standard Manhole (Sanitary Sewer, Concrete)) on Bid Section C from "\$8,00.00" to "\$8,000.00".
 - The intent was "\$8,000.00" but a zero was inadvertently left off. The Bid Item total amount was correct.
- Correct the unit cost for Bid Item 5.1 (Dewatering) on Bid Section E from "\$176,00.00" to "\$176,000.00".
 - The intent was "\$176,000.00" but a zero was inadvertently left off. The Bid Item total amount was correct
- Correct the unit cost for Bid Item 8.3 (Abandon Lift Station No. 13) on Bid Section E from "\$14,00.00" to "\$14,000.00".
 - The intent was "\$14,000.00" but a zero was inadvertently left off. The Bid Item total amount was correct
- Correct the unit cost for Bid Item 1.0 (Mobilization) on Bid Section F from "\$30,00.00" to "\$30,000.00".
 - The intent was "\$30,000.00" but a zero was inadvertently left off. The Bid Item total amount was correct
- Correct the total for Bid Section F from "\$649,556.00" to "\$654,556.00".
 - This error was simply arithmetic in nature



In addition, it is understood that the City of Grand Island has made some adjustments to the original Bid Form in a value engineering effort to obtain the best overall value for the project within the City's budget. These changes include the following:

- Eliminated Bid Item 3.20 (Rehabilitate 84-Inch Corrugated Metal Storm Sewer/Culverts) from Bid Section A.
- Eliminated Bid Item 3.21 (Rehabilitate 60-Inch x 85-Inch Arch Concrete Storm Sewer/Culverts) from Bid Section A.
- Eliminated Bid Item 5.2 (Sheeting) from Bid Section A.
- Added Bid Item 5.3 (Additional Shoring) to Bid Section A.
- Changed the numbering of Bid Item 10.8 (Bypass Pumping) to Bid Item 10.5 in Bid Section C.
- Added Bid Item 10.8 (Erosion and Sediment Control) to Bid Section C.

S. J. Louis Construction, Inc. has reviewed the updated Bid Form and accepts these changes to the Bid Form in their entirety. We have signed two copies of the updated Bid Form and have submitted them to the City.

Should you have any questions, please contact me.

Respectfully,

John Pennekamp
Chief Estimator

CC: Frank Mayfield



September 2, 2014

City of Grand Island, NE
100 East 1st Street
Grand Island, NE 68801

North Interceptor Phase 2
B&V Project 175144
B&V File 60.0109

Attention: Ms. Tara Bevard

Subject: Revised Bid Form

Based on discussions with both City staff and S. J. Louis Construction, Inc., the original Bid Form submitted by S. J. Louis for the North Interceptor Phase 2 project has been modified. S. J. Louis' originally submitted Bid Form contained various typos and mistakes which were corrected in this modified Bid Form. Additionally, there were some other items that have been added/deleted in a value engineering effort in order to obtain the best overall value for the project within the City's budget. The largest item that was removed was Bid Item 5.2, Sheeting, from Bid Section A. In lieu of sheeting, S. J. Louis will incorporate the use of other additional shoring techniques which will slow down their scheduled production rate. Bid Item 5.3 is meant to capture those costs. The net saving from these two Bid Items to the City is \$511,200.00. The following list summarizes the extent of the changes made to the original Bid Form:

- Eliminated Bid Item 3.20 (Rehabilitate 84-Inch Corrugated Metal Storm Sewer/Culverts) from Bid Section A.
- Eliminated Bid Item 3.21 (Rehabilitate 60-Inch x 85-Inch Arch Concrete Storm Sewer/Culverts) from Bid Section A.
- Eliminated Bid Item 5.2 (Sheeting) from Bid Section A.
- Added Bid Item 5.3 (Additional Shoring) to Bid Section A.
- Corrected the unit cost for Bid Item 7.5 (Pasture Seed and Mulch Application) on Bid Section A from "\$1,1000.00" to "\$1,100.00".
- Changed the numbering of Bid Item 10.8 (Bypass Pumping) to Bid Item 10.5 in Bid Section C.
- Added Bid Item 10.8 (Erosion and Sediment Control) to Bid Section C.
- Corrected the total cost for Bid Item 4.11 (Additional Depth, 92-Inch Diameter Manhole (Sanitary Sewer, FRP); Standard and Drop) on Bid Section B from "\$8,128.00" to "\$8,096.00".
- Corrected the total for Bid Section B from "\$2,652,131.50" to "\$2,652,099.50".
- Corrected the unit cost for Bid Item 4.8 (60-Inch Diameter Standard Manhole (Sanitary Sewer, Concrete)) on Bid Section C from "\$8,00.00" to "\$8,000.00".
- Corrected the unit cost for Bid Item 5.1 (Dewatering) on Bid Section E from "\$176,00.00" to "\$176,000.00".
- Corrected the unit cost for Bid Item 8.3 (Abandon Lift Station No. 13) on Bid Section E from "\$14,00.00" to "\$14,000.00".

- Corrected the unit cost for Bid Item 1.0 (Mobilization) on Bid Section F from "\$30,00.00" to "\$30,000.00".
- Corrected the total for Bid Section F from "\$649,556.00" to "\$654,556.00".

The modified Bid Form results in the following total costs per Bid Section:

- Bid Section A - \$10,331,942.50
- Bid Section B - \$ 2,652,099.50
- Bid Section C - \$ 3,235,154.00
- Bid Section D - \$ 610,177.50
- Bid Section E - \$ 497,755.00
- Bid Section F - \$ 654,556.00
- Bid Section G - \$ 712,618.50
- Bid Section H - \$ 1,945,858.50
- Bid Section I - \$ 1,493,932.00

Discussions with City staff led to the recommendation that all Bid Sections be awarded with the exception of Bid Section F (Lift Station No. 4 Abandonment). Lift Station No. 4 is not currently causing any major maintenance problems to the City, and with the price from S. J. Louis coming in significantly higher than the Opinion of Probable Construction Cost (\$370,000), it was decided to delay the abandonment of Lift Station 4 at this time.

Therefore the anticipated total amount of award will be \$21,479,537.50.

Please feel free to contact me at 720-834-4230 or engemoentw@bv.com with any questions or concerns.

Very truly yours,

BLACK & VEATCH CORPORATION

Tim Engemoen
Project Engineer

sjm

cc: Mr. Joe Baxter, Olsson Associates
Mr. Terry Brown, City of Grand Island
Mr. Richard Henderson, Black & Veatch
Mr. Marvin Strong, City of Grand Island
Mr. Fred Tustin, City of Grand Island

www.bv.com

RESOLUTION 2014-284

WHEREAS, On August 7, 2014 the City of Grand Island invited sealed bids for Construction of North Interceptor Phase II; Project No. 2013-S-4, according to plans and specifications on file with the Engineering Division of the Public Works Department; and

WHEREAS, On August 20, 2014 bids were received, opened and reviewed; and

WHEREAS, S.J. Louis Construction, Inc. of Rockville, Minnesota submitted a bid in accordance with the terms of the advertisement of bids, plans, and specifications and all other statutory requirements contained therein, such bid being in the amount of \$22,972,679.50 plus \$(1,493,142.00) for value engineering of the project for a total bid amount of \$21,479,537.50; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of S.J. Louis Construction, Inc. of Rockville, Minnesota, in the amount of \$21,479,537.50 for construction of North Interceptor Phase II; Project 2013-S-4 is hereby approved as the lowest responsible bid; and

BE IT FURTHER RESOLVED, which a contract agreement for such project, North Interceptor Phase II between the City of Grand Island and such Contractor, S.J. Louis Construction, Inc. of Rockville, Minnesota is entered into, and the Mayor is hereby authorized and directed to execute such contract agreement on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 9, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
May 14, 2013	☐ City Attorney