



City of Grand Island

Tuesday, October 14, 2003

Council Session

Item G30

#2003-296 - Approving Bid Award for Sludge Handling Improvement Project at WWTP (Project 2003-WWTP-1)

The Wastewater Division of the Public Works Department advertised for bids for this project on July 1, 2003 and opened bids on August 7, 2003. A Resolution was approved awarding the bid at the August 26, 2003 regular Council Meeting. Since budget authority for the project is not available until the new fiscal year in October 2003, a Resolution was passed rescinding the August 26th Resolution and allowing the contractor to start ordering materials for this project, and informing the contractor that Council intends to pass a Resolution for bid award at the October 14, 2003 regular City Council meeting.

Discussion

The Public Works Department, Wastewater Division, and the Purchasing Division of the City Attorney's Office have reviewed all bids received. Four bids were received with base bids ranging from \$8,041,000 to \$9,950,000. The engineer's opinion of costs for the base bid was \$7,800,000. The additive alternate bids ranged from \$421,000 to \$793,000. The engineer's opinion of costs for the alternate was \$371,000. The estimate is considered within the range of accuracy for an estimate of costs for this type of project. Consulting Engineering Firm CH2MHill has reviewed the bids to see where differences exist between the estimate and the bid. The major difference lies in the structural and architectural bids. The estimate was developed on the basis of a cost per square foot whereas the contractor's bid was based on detailed quantity take-offs. The contractor's bid for the structural and architectural was higher than the estimate because of the heavy mechanical equipment needing support in the second floor of the facility.

Recommendation

It is recommended that the bid be awarded to John T Jones Construction of Fargo, North Dakota with a base bid of \$8,041,000 plus \$421,000 for the additive alternate bid for a total bid of \$8,462,000 as the lowest responsible bid.

Reference checks with the Engineer and staff with the City of Omaha's Wastewater Division were very favorable.

Financial Implications

There are sufficient funds in the Wastewater Division Budget (Account #53030054-85213) to perform the work.

Alternatives

Staff recommends against rejecting all bids and re-advertising because all of the bidders have shown their numbers and the bids the second time around are almost always higher unless the project can be scaled back. We cannot scale back the operations portions of this project to reduce the contract cost and keep pace with increasing wastewater flows. We also do not want to eliminate the odor control measures that are part of this project.

Staff Contact: Steven P. Riehle, Public Works Director/City Eng



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: August 7, 2003 at 10:00 a.m.
FOR: Sludge Handling Improvements (Project 2003-WWTP-1)
DEPARTMENT: Public Works – Wastewater Treatment Plant
ENGINEER'S ESTIMATE: \$7,800,000.00
FUND/ACCOUNT: 53030054.85213
PUBLICATION DATE: July 1, 2003
NO. POTENTIAL BIDDERS: 5

SUMMARY

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|---------------------------------|---|---|
| Bidder: | Stanek Constructors, Inc. Golden, CO | Western Summit Constructors Denver, CO |
| Bid Security: | Travelers Casualty & Surety | St. Paul Fire & Marine Ins. |
| Exceptions: | None | None |
| Bid Price: | \$8,580,000.00 | \$8,440,000.00 |
| Additive Alternate No. 1 | \$ 533,000.00 | \$ 470,000.00 |

| | | |
|---------------------------------|--|---|
| Bidder: | CAS Construction, Inc. Topeka, KS | John T. Jones Construction Fargo, ND |
| Bid Security: | XL Specialty Insurance Co. | US Fidelity and Guaranty Co. |
| Exceptions: | None | None |
| Bid Price: | \$9,950,000.00 | \$8,041,000.00 |
| Additive Alternate No. 1 | \$ 793,000.00 | \$ 421,000.00 |

cc: Steve Riehle, Public Works Director
Ben Thayer, Wastewater Treatment Plant
Marlan Ferguson, City Administrator
Dale Shotkoski, Purchasing Agent
Laura Berthelsen, Legal Assistant

R E S O L U T I O N 2003-296

WHEREAS, on August 26, 2003, by Resolution 2003-252, the City Council for the City of Grand Island approved the bid of John T. Jones Construction of Fargo, North Dakota in the total amount of \$8,462,000 for the construction of sludge handling improvements (Project 2003-WWTP-1); and

WHEREAS, on September 9, 2003, by Resolution 2003-266, the resolution awarding such bid was rescinded since no appropriation for the funding of the project was available in the 2002-2003 budget year; and

WHEREAS, the new fiscal year began on October 1, 2003; and

WHEREAS, it is now appropriate to award the bid for the construction of sludge handling improvements (Project 2003-WWTP-1); and

WHEREAS, John T. Jones Construction of Fargo, North Dakota has agreed to complete such project according to the terms and conditions of the initial contract, with the same price as originally bid.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City hereby awards the bid for construction of sludge handling improvements (Project 2003-WWTP-1) to John T. Jones Construction of Fargo, North Dakota, in the base amount of \$8,041,000 plus \$421,000 for the additive alternate bid for a total bid of \$8,462,000.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such 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, October 14, 2003.

RaNae Edwards, City Clerk

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| Approved as to Form | ☐ _____ |
| October 10, 2003 | ☐ City Attorney |