



# City of Grand Island

Tuesday, July 13, 2010

Council Session

## Item G9

**#2010-180 - Approving Bid Award - Water Main Project 2009-W-6 (6th Street from Elm Street to Pine Street)**

Staff Contact: Gary R. Mader

# **Council Agenda Memo**

**From:** Gary R. Mader, Utilities Director  
Dale Shotkoski, City Attorney

**Meeting:** July 13, 2010

**Subject:** Bid Award for Water Main Project 2009-W-6  
Sixth Street, Elm Street to Pine Street

**Item #'s:** G-9

**Presenter(s):** Gary R. Mader, Utilities Director

## **Background**

The existing water system infrastructure in Sixth Street between Elm Street and Pine Street is well over 100 years old. This is evident from an existing fire hydrant in the project area that is stamped "Feb 1880", and the Department has water service cards for the area that date back to 1908.

At the time of its installation, the existing 4" diameter cast iron main was state of the art. And, although the main remains in good physical condition, it does not meet today's modern requirements for fire protection and service. The referenced project provides for furnishing materials, the trenchless installation of a new 8" diameter ductile-iron water main, new water service connections to the adjacent residential properties, and the abandonment of the old 4" main. Replacing this section of main will insure continued operation service, reliability, and improved fire protection in the area. A map of the project area is attached for reference.

Funding for the project will be a cost share between the Water Department and the Nebraska Department of Economic Development. The project meets eligibility requirements for Community Development Block Grant (CDBG) funding. This is a project share with CDBG picking up approximately 80% of the project costs.

## **Discussion**

Bidding documents, specifications and plans were advertised in accordance with City Procurement Codes and issued to 15 contractors. Bids were received and publicly opened

at 2:00 p.m. on June 10, 2010. Four firms submitted bids that have been reviewed for accuracy and completeness.

The “as read” bids were:

Bidder	Exceptions	Bid Price	Completion Date
K2 Construction Lincoln, NE	None	\$293,902.22	November 24, 2010
Diamond Engineering Co. Grand Island, NE	None	\$303,357.69	Septemter 30, 2010
General Excavating Lincoln, NE	None	\$393,954.28	October 30, 2010
Myers Construction, Inc. Broken Bow, NE	None	\$427,650.20	October 31, 2010

All bids have been reviewed and evaluated. A tabulation of the bid evaluation form is attached for reference. The bids from Diamond Engineering Company and from General Excavating are complete and without exceptions. There were issues on the other two bids received.

The highest “as read” bid from Meyers Construction, contained an error in the quantity per unit price calculations for Item C.1.34 *Remove Asph./Conc. Driveway*. Their listed amount was \$7,764.00 vs. the correct amount of \$776.40. The error is from a misplaced decimal point and is a difference of \$6,987.60, resulting in an evaluated lowering of their total bid to \$420,662.60. Additionally, Myers Construction failed to sign and submit several requirements on the Contractor’s Bid form. These include omitting the sections dealing with sales tax options; a breakdown of their bid for use by the City’s Finance Department; and failure to sign and date their bid. They also did not submit forms for the CDBG certification. Perry Myers, President, Myers Construction, was contacted by phone on these issues. He appreciated the information and stated that he had hurried through the paperwork and had not done a very good job of preparing his bid. He said they had submitted the data per normal processes. He hoped that we would keep them on our bidders list.

The low “as read” bid submitted from K2 Construction also contained errors and omissions. On Item C.1.36 *Remove Conc. Curb and Gutter Section*, K2’s quantity per unit price extension listed a total amount of \$2,595.55. The correct amount is \$2,604.80, a difference of \$9.25. This correction increases their total bid to \$293,911.47. There was also an error in the breakdown data of their bid for sales tax on the project, and in the CDBG section of the contract documents. The documents were not completed. K2 Construction was contacted in regard to the above referenced incorrect and missing data. All information, forms, and correctly calculated amounts have satisfactorily been

submitted and reviewed. All issues are evaluated as resolved with an evaluated bid amount of \$293,911.47.

K2 Construction has not previously done any work in the Grand Island area. Therefore, their listed references and other individuals were contacted to check work history. In summary, they are a somewhat new company, in business since 2001. They had various problems in the past with the City of Lincoln. However, these issues have been resolved and they are doing work for Lincoln. In 2009, Lincoln awarded K2 the contract to install the replacement water mains on the UNL campus. This was a high profile project and K2 received positive evaluations from references contacted. Also, K2 has just been awarded a contract to replace 2,500 lf. of water main in "O" Street in Lincoln.

The general comments from K2's material suppliers and various other entities reported that on recent projects, their quality, scheduling, and overall performance was good.

### **Alternatives**

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

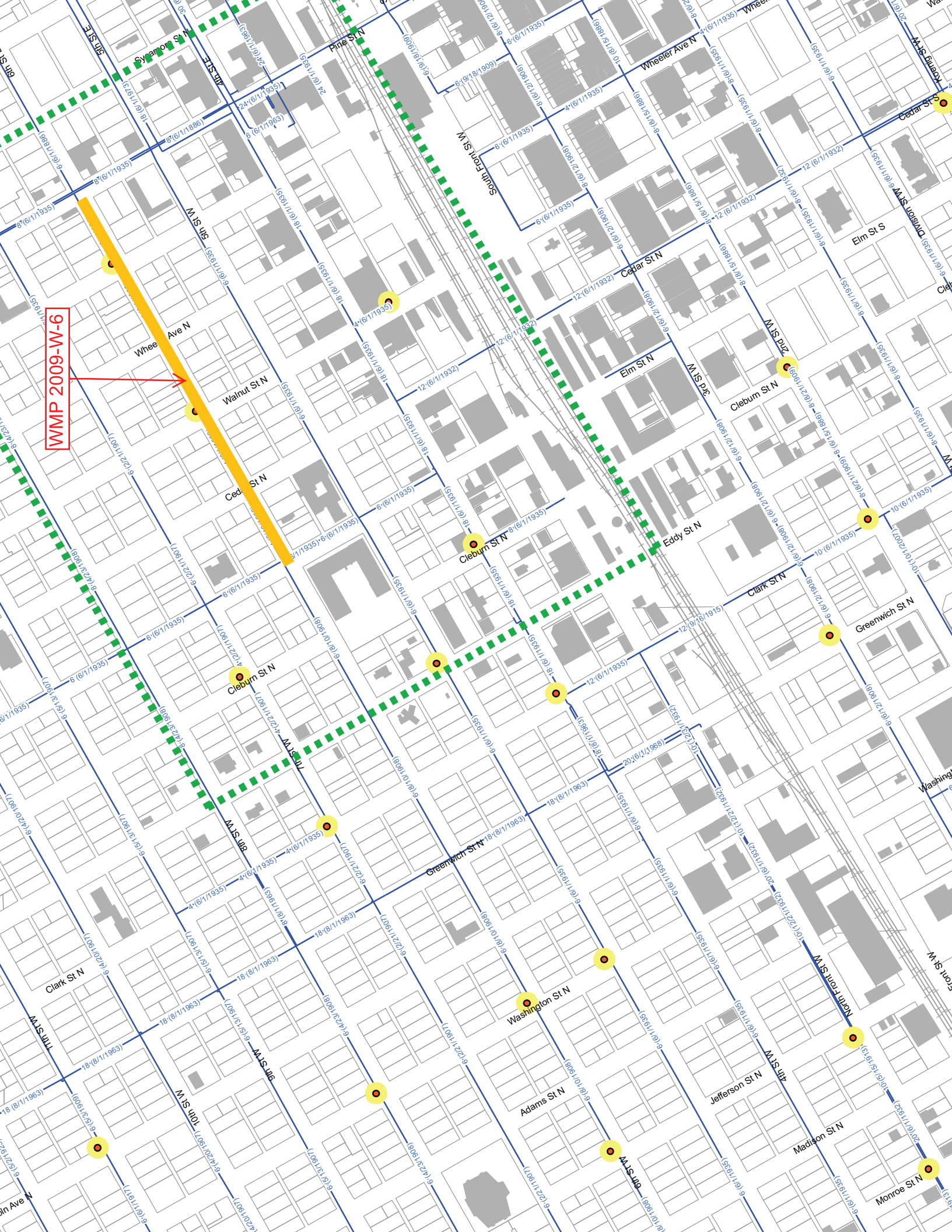
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

### **Recommendation**

City Administration recommends that the Council approve the contract for Water Main Project 2009-W-6, Sixth Street, from Elm Street to Pine Street, to the low bidder, K2 Construction of Lincoln, Nebraska, in the amount of \$293,911.47.

### **Sample Motion**

Move to approve the contract for Water Main Project 2009-W-6, Sixth Street, from Elm Street to Pine Street, to K2 Construction of Lincoln, Nebraska.



## Water Main Project 2009-W-6

Sixth Street water main replacement from Elm to Pine

BIDS 6/10/2010

ITEM	DESCRIPTION	QUANTITY EST.	<u>K-2 Construction</u>		<u>Diamond Eng Co</u>		<u>General Excavating</u>		<u>Myers Construction</u>	
			UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$
1.01	12" d.i. pipe (s.j.)	18.50 l.f.	53.92	997.52	74.90	1,385.65	90.00	1,665.00	60.00	1,110.00
1.02	8" d.i. pipe (r.j.) - trenchless installation	1,641.00 l.f.	49.87	81,836.67	58.90	96,654.90	70.00	114,870.00	85.00	139,485.00
1.03	8" d.i. pipe (s.j.)	90.50 l.f.	35.30	3,194.65	43.00	3,891.50	60.00	5,430.00	55.00	4,977.50
1.04	6" d.i. pipe (s.j.)	31.30 l.f.	31.77	994.40	43.35	1,356.86	50.00	1,565.00	50.00	1,565.00
1.05	12"x8" m.j. wye	2.00 ea.	441.49	882.98	810.00	1,620.00	710.00	1,420.00	792.00	1,584.00
1.06	12"x8" m.j. tee	1.00 ea.	302.85	302.85	605.00	605.00	600.00	600.00	597.00	597.00
1.07	12"x6" m.j. tee	1.00 ea.	278.60	278.60	571.00	571.00	600.00	600.00	534.00	534.00
1.08	12"x8" m.j. reducer	2.00 ea.	182.54	365.08	285.00	570.00	400.00	800.00	336.00	672.00
1.09	12" retainer gland	0.00 ea.	0.00	0.00	200.00	0.00	120.00	0.00	190.00	0.00
1.10	8"x8"x6" m.j. tee	6.00 ea.	174.27	1,045.62	471.30	2,827.80	450.00	2,700.00	416.00	2,496.00
1.11	8"x45° m.j. bend	2.00 ea.	127.01	254.02	313.60	627.20	400.00	800.00	273.00	546.00
1.12	8"x6" m.j. reducer	1.00 ea.	113.65	113.65	210.50	210.50	400.00	400.00	234.00	234.00
1.13	8" retainer gland	2.00 ea.	67.32	134.64	121.75	243.50	110.00	220.00	98.00	196.00
1.14	8" sleeve coupling	4.00 ea.	125.77	503.08	251.50	1,006.00	240.00	960.00	513.00	2,052.00
1.15	8" plug	1.00 ea.	80.53	80.53	151.25	151.25	200.00	200.00	137.00	137.00
1.16	6"x6"x6" m.j. tee	2.00 ea.	150.97	301.94	362.55	725.10	400.00	800.00	346.00	692.00
1.17	6" retainer gland	2.00 ea.	55.77	111.54	95.00	190.00	110.00	220.00	57.00	114.00
1.18	6" sleeve coupling	3.00 ea.	107.44	322.32	207.15	621.45	225.00	675.00	318.00	954.00
1.19	12" r.s. gate valve	1.00 ea.	1,826.60	1,826.60	2,319.00	2,319.00	2,250.00	2,250.00	2,560.00	2,560.00
1.20	8" r.s. gate valve	2.00 ea.	1,100.61	2,201.22	1,236.50	2,473.00	1,200.00	2,400.00	1,356.00	2,712.00
1.21	6" r.s. gate valve	2.00 ea.	836.05	1,672.10	850.00	1,700.00	900.00	1,800.00	920.00	1,840.00
1.22	valve box	5.00 ea.	429.98	2,149.90	198.00	990.00	230.00	1,150.00	165.00	825.00
1.23	fire hydrant assembly	6.00 ea.	1,811.96	10,871.76	3,515.00	21,090.00	1,800.00	10,800.00	4,340.00	26,040.00
1.24	duc-lugs & redi-rod	3.00 ea.	220.70	662.10	224.00	672.00	200.00	600.00	115.00	345.00
1.25	thrust block	14.00 ea.	193.05	2,702.70	340.00	4,760.00	250.00	3,500.00	180.00	2,520.00
1.26	l-beam block	1.00 ea.	850.68	850.68	715.95	715.95	1,000.00	1,000.00	240.00	240.00
1.27	linestopper installation	5.00 ea.	700.00	3,500.00	565.00	2,825.00	4,600.00	23,000.00	1,300.00	6,500.00
1.28	1" copper water service (complete)	48.00 ea.	2,113.69	101,457.12	1,791.00	85,968.00	2,200.00	105,600.00	3,000.00	144,000.00
1.29	8 mil polywrap	1,781.30 l.f.	1.10	1,959.43	1.00	1,781.30	1.10	1,959.43	2.00	3,562.60
1.30	remove and salvage existing water main	79.00 l.f.	14.00	1,106.00	8.80	695.20	25.00	1,975.00	10.00	790.00
1.31	remove and salvage existing fire hydrant	3.00 ea.	350.00	1,050.00	389.00	1,167.00	700.00	2,100.00	400.00	1,200.00
1.32	remove existing roadway	390.50 s.y.	14.00	5,467.00	7.15	2,792.08	13.00	5,076.50	4.00	1,562.00
1.33	replace concrete roadway	408.50 s.y.	48.12	19,657.02	49.00	20,016.50	95.00	38,807.50	48.00	19,608.00
1.34	remove asph./conc. Driveway	129.40 s.y.	14.00	1,811.60	8.00	1,035.20	2.00	258.80	6.00	776.40
										7,764.00
1.35	replace asph./conc. Driveway	129.40 s.y.	35.75	4,626.05	46.90	6,068.86	14.00	1,811.60	78.00	10,093.20
1.36	remove conc. Curb & gutter section	140.80 l.f.	18.50	2,604.80	2.60	366.08	3.00	422.40	5.00	704.00
				2,595.55						
1.37	replace conc. Curb & gutter section	0.00 l.f.	0.00	0.00	29.20	0.00	30.00	0.00	21.00	0.00
1.38	6" conc. Integral curb	140.30 l.f.	22.05	3,093.62	3.50	491.05	30.00	4,209.00	3.00	420.90
1.39	remove, replace and regrade gravel driveway	2.00 ea.	700.00	1,400.00	151.00	302.00	800.00	1,600.00	1,200.00	2,400.00
1.40	remove concrete sidewalk	1,778.80 s.f.	1.40	2,490.32	1.13	2,010.04	1.50	2,668.20	1.00	1,778.80
1.41	replace concrete sidewalk	2,103.50 s.f.	4.78	10,054.73	7.75	16,302.13	7.50	15,776.25	5.00	10,517.50
1.42	remove brick sidewalk	1,105.40 s.f.	2.80	3,095.12	1.40	1,547.56	3.00	3,316.20	1.50	1,658.10
1.43	replace brick sidewalk	780.70 s.f.	2.80	2,185.96	6.90	5,386.83	14.00	10,929.80	7.00	5,464.90
1.44	saw cut	100.90 l.f.	4.17	420.75	3.55	358.20	4.00	403.60	3.00	302.70
1.45	Residential Seeding	11,620.00 s.f.	0.54	6,274.80	0.35	4,067.00	0.75	8,715.00	0.80	9,296.00
1.46	Traffic Control	Complete l.s.	7,000.00	7,000.00	2,200.00	2,200.00	7,900.00	7,900.00	5,000.00	5,000.00
	<b>Evaluated Bid</b>			<b>\$293,911.47</b>		<b>\$303,357.69</b>		<b>\$393,954.28</b>		<b>\$420,662.60</b>
	<b>As Read Bid</b>			<b>\$293,902.22</b>		<b>\$303,357.69</b>		<b>\$393,954.28</b>		<b>\$427,650.20</b>

Purchasing Division of Legal Department  
**INTEROFFICE MEMORANDUM**



Dale Shotkoski, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** June 10, 2010 at 2:00 p.m.

**FOR:** Water Main Project 2009-W-6  
Sixth Street, from Elm Street to Pine Street

**DEPARTMENT:** Utilities

**ESTIMATE:** \$325,693.00

**FUND/ACCOUNT:** 525

**PUBLICATION DATE:** May 17, 2010

**NO. POTENTIAL BIDDERS:** 15

**SUMMARY**

<b>Bidder:</b>	<u>General Excavating</u> Lincoln, NE	<u>K2 Construction</u> Lincoln, NE
<b>Bid Security:</b>	Universal Surety Co.	International Fidelity Ins. Co.
<b>Exceptions:</b>	None	None
<b>Bid Price:</b>	\$393,954.28	\$293,902.22
<b>Completion Date:</b>	10/30/10	11/24/10

<b>Bidder:</b>	<u>Diamond Engineering Co.</u> Grand Island, NE	<u>Myers Construction, Inc.</u> Broken Bow, NE
<b>Bid Security:</b>	Universal Surety Co.	Merchants Bonding Company
<b>Exceptions:</b>	None	None
<b>Bid Price:</b>	\$303,357.69	\$427,650.20
<b>Completion Date:</b>	9/30/10	10/31/10

cc: Gary Mader, Utilities Director  
Dale Shotkoski, City Attorney  
Jeff Pederson, City Administrator

Bob Smith, Assist. Utilities Director  
Pat Gericke, Utilities Admin. Assist.  
Tom Barnes, Engineering Manager





RESOLUTION 2010-180

WHEREAS, the City Water Department invited sealed bids for Water Main Project 2009-W-6, Sixth Street, from Elm Street to Pine Street; and

WHEREAS, on June 10, 2010, bids were received, opened and reviewed; and

WHEREAS, K2 Construction of Lincoln, Nebraska, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, in an evaluated amount of \$293,911.47; and

WHEREAS, the City Water Department and the Nebraska Department of Economic Development are completing Water Main Project 2009-W-6, Sixth Street from Elm Street to Pine Street as a project share with the Community Development Block Grant (CDBG) picking up approximately 80% of the project costs; and

WHEREAS, the bid of K2 Construction of Lincoln, Nebraska, is less than the estimate for Water Main Project 2009-W-6, Sixth Street, from Elm Street to Pine Street.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of K2 Construction of Lincoln, Nebraska, in the amount of \$293,911.47 is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, July 13, 2010.

\_\_\_\_\_  
Margaret Hornady, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	<input type="checkbox"/> _____
July 8, 2010	<input type="checkbox"/> City Attorney