



# City of Grand Island

Tuesday, May 8, 2012

Council Session

## Item G9

**#2012-115 - Approving Bid Award - Water Main Project 2011-W-4  
- Water Main Extension to Merrick County**

Staff Contact: Tim Luchsinger

# **Council Agenda Memo**

**From:** Timothy Luchsinger, Utilities Director  
Jason Eley, Asst. City Attorney/Purchasing

**Meeting:** May 8, 2012

**Subject:** Approving Bid Award - Water Main Project 2011-W-4  
Water Main Extension to Merrick

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

**Presenter(s):** Timothy Luchsinger, Utilities Director

## **Background**

In November of 2011, the City entered into an Interlocal Agreement with the Union Pacific Railroad (UPRR) to extend City water service easterly one mile into Merrick County. The project is part of a remediation action to replace the private wells in the area that have been contaminated with tetrachloroethylene, a commonly used degreaser and dry cleaning fluid. Upon completion of the project, 163 properties will receive domestic and fire protection. In accordance with the agreement authorized by the Council, the UPRR will reimburse the City for the engineering, material, and construction costs associated with that extension.

## **Discussion**

The Utilities Department has worked with the project's design firm, Olsson Associates, and prepared contract documents and plans for the related construction. In accordance with City Procurement Codes, the project was advertised and bids publicly opened at 2:00 p.m. on April 26, 2012. There were 19 potential bidders with four firms submitting pricing. The contract provided a base bid with a November 30, 2012 completion date. As an alternate, the contractor could specify an alternate completion date with a bid amount associated with that schedule. Two firms provided both Base and Alternate bids. One firm only bid the Base, and one firm only bid the Alternate. No exceptions were noted on any of the bids. All bids are complete. The tabulations are below.

<b>Bidder:</b>	Van Kirk Brothers Contracting Sutton, Nebraska	Judds Brothers Const. Co. Lincoln, Nebraska
Bid Security:	Universal Surety Company	International Fidelity Ins. Co.
Base Bid Price:	\$4,109,998.35	No Bid
Base Completion:	November 30, 2012	No Date
Alternate Price:	\$3,978,831.25	\$5,088,926.00
Alt. Completion:	June 1, 2013	May 15, 2013
<b>Bidder:</b>	Diamond Engineering Company Grand Island, Nebraska	General Excavating Lincoln, Nebraska
Bid Security:	Universal Surety Company	Universal Surety Company
Base Completion:	November 30, 2012	November 30, 2012
Alternate Price:	\$3,914,186.25	No Bid
Alt. Completion:	May 1, 2013	No Date

Follow-up conversations were conducted with Van Kirk Brothers Contracting and with the Diamond Engineering Company. Both were comfortable with their bids and the completion dates. The Department has worked with both firms and both are very capable of completing the project as specified. Olsson Associates has reviewed the bids. Their recommendation is as follows:

Base Bid – Van Kirk Brothers Contracting for \$4,109,998.35, completion date of November 30, 2012.

Alternate Bid – Diamond Engineering for \$3,914,186.25, completion date of May 1, 2013.

Both the low base bid and low alternate bid were below the project estimate of \$4,311,256.40.

As provided in the Interlocal Agreement, the City shall select a contractor, subject to the approval of the UPRR for the project to continue. Due to UPRR's desire to provide a safe water supply to area residences as quickly as possible, they have authorized the City to proceed with awarding the contract at the base bid amount and the November 30, 2012 completion date.

### **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 bid for the construction of Water Main Project 2011-W-4, to Van Kirk Brothers Contracting of Sutton, Nebraska, in the Base Bid amount of \$4,109,998.35 with a final completion date of November 30, 2012.

## **Sample Motion**

Move to approve the bid for Water Main Project 2011-W-4 to Van Kirk Brothers Contracting of Sutton, Nebraska in the amount of \$4,109,998.35.



Jason Eley, Purchasing Agent

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Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** April 26, 2012 at 2:00 p.m.  
**FOR:** Water Main Project 2011-W-4  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$4,311,256.40  
**FUND/ACCOUNT:** 525  
**PUBLICATION DATE:** April 12, 2012  
**NO. POTENTIAL BIDDERS:** 19

**SUMMARY**

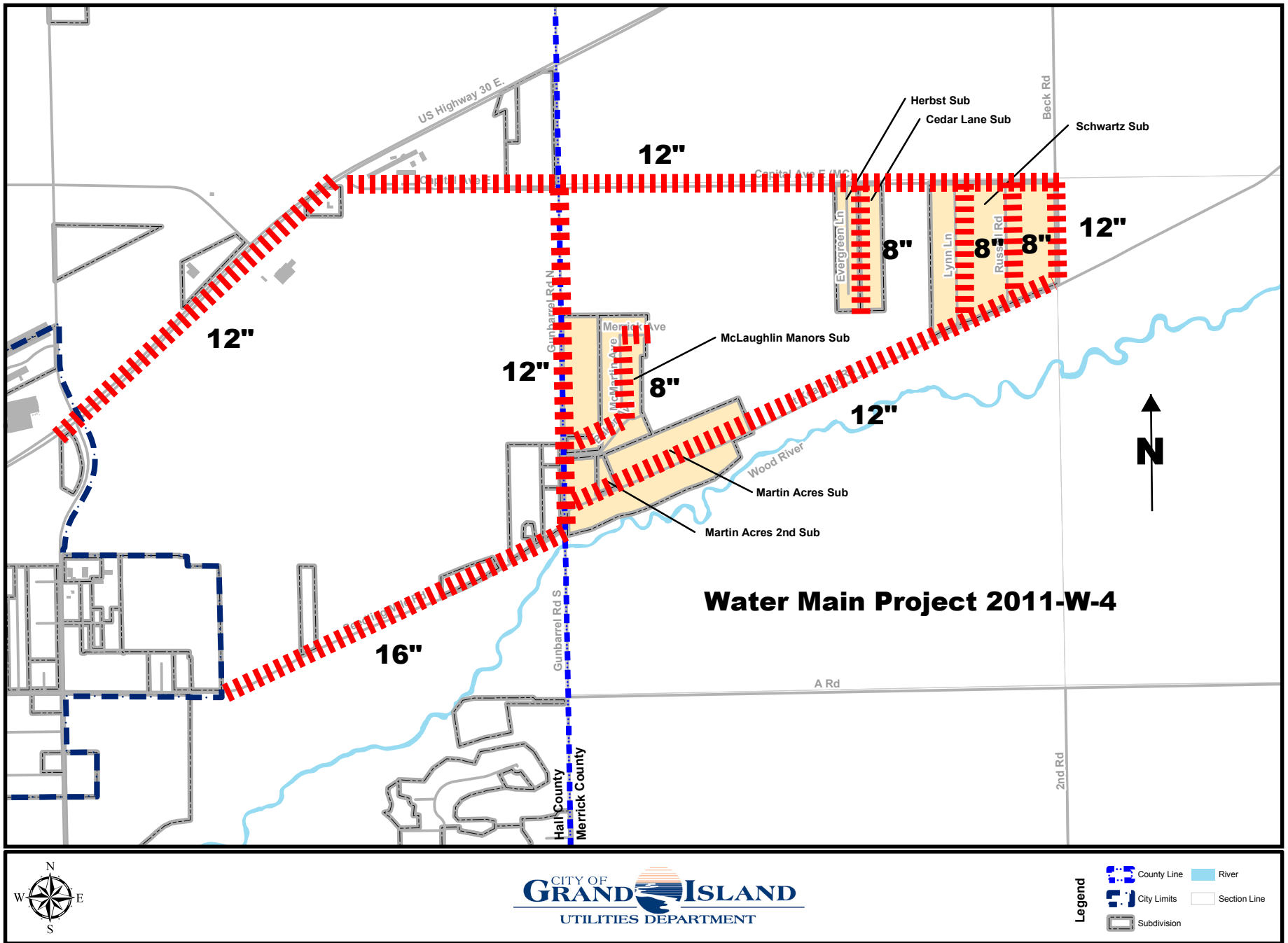
<b>Bidder:</b>	<b><u>Van Kirk Bros. Contracting</u></b> Sutton, NE	<b><u>Judds Bros. Construction Co.</u></b> Lincoln, NE
<b>Bid Security:</b>	Universal Surety Co.	International Fidelity Ins. Co.
<b>Bid Price:</b>	\$4,109,998.35	No Bid
<b>Alternate Price:</b>	\$3,978,831.25	\$5,088,926.00
<b>Completion Date:</b>	June 1, 2013	May 15, 2013

<b>Bidder:</b>	<b><u>The Diamond Engineering Co.</u></b> Grand Island, NE	<b><u>General Excavating</u></b> Lincoln, NE
<b>Bid Security:</b>	Universal Surety Co.	Universal Surety Co.
<b>Bid Price:</b>	\$4,254,175.45	\$4,867,586.12
<b>Alternate Price:</b>	\$3,914,186.25	No Bid
<b>Completion Date:</b>	May 1, 2013	No Date

cc: Tim Luchsinger, Utilities Director  
Jason Eley, Purchasing Agent  
Mary Lou Brown, City Administrator

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

**P1555**



RESOLUTION 2012-115

WHEREAS, the City of Grand Island invited sealed bids for the Water Main Extension to Merrick County (Water Main Project 2011-W-4), according to plans and specifications on file with the Utilities Department; and

WHEREAS, on April 26, 2012, bids were received, opened and reviewed; and

WHEREAS, Van Kirk Brothers Contracting of Sutton, 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, such bid being in the amount of \$4,109,998.35; and

WHEREAS, the bid of Van Kirk Brothers Contracting is less than the estimate for the Water Main Extension to Merrick County (Water Main Project 2011-W-4).

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Van Kirk Brothers, in the amount of \$4,109,998.35 for the Water Main Extension to Merrick County (Water Main Project 2011-W-4) is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, May 8, 2012.

\_\_\_\_\_  
Jay Vavricek, Mayor

Attest:

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

Approved as to Form	▣ _____
May 4, 2012	▣ City Attorney