

City of Seward, NE

Tuesday, June 2, 2015

Regular Session

Item G5

CONSIDERATION OF AWARDING BID FOR THE 14TH STREET SUBSTATION CONSTRUCTION CONTRACT TO IES COMMERCIAL, INC IN THE AMOUNT OF \$475,076 - Garrett Klein, Olsson Associates

Staff Contact:

May 26, 2015

Mayor and City Council
City of Seward
c/o Bonnie Otte, City Clerk
P.O. Box 38
Seward, Nebraska 68434

Re: Bid Tabulation and Contract Award Recommendation
14th Street Substation Construction
Seward, Nebraska – 2015
OA Project No. 013-0407

Mayor Eickmeier and Members of the City Council:

Bids for the subject project were opened at the Seward City Offices at 2:00 pm on Tuesday, May 19, 2015. Four (4) bids were received as shown on the attached bid tabulation. The two lowest apparent bids are summarized below:

<u>Bidder</u>	<u>Bid Price</u>
IES Commercial, Inc.	\$ 475,076.00
Harold K Scholz Co.	\$ 595,000.00

Our estimate, presented to the City Council at the April 21, 2015 meeting, was \$555,000.

The IES bid is 14% below the Engineer's estimate, while the Scholz bid is 7% higher. We contacted IES to discuss their bid amount and the bid (and estimate) spread resulting therefrom. IES has indicated that several conditions aligned favorably for them on this project, including the project's fit into their construction schedule, the availability of equipment, and very good pricing from subcontractors and suppliers.

Olsson Associates has experience with IES (formerly Kayton Electric) on several previous projects, including substations. Our experience with the company has been favorable.

Based on the bid amounts and our experience with the apparent low bidder, we recommend award of the 14th Street Substation Construction contract to IES Commercial, Inc. of Holdrege, Nebraska, for the bid amount of \$475,076.00.

Sincerely,


Garrett L. Klein, P.E.

Enclosures

cc Larry Ruether, City of Seward

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CONTRACTOR	IES Commercial, Inc. 120 So Lincoln St PO Box 27 Holdrege, NE 68949	Harold K. Scholz Co. 7800 Serum Ave Ralston, NE 68127	Great Southwestern Construction, Inc 1100 Topeka Way Castle Rock, CO 80109	Brink Constructors, Inc. 2950 N Plaza Dr Rapid City, SD 57702
<p>BASE BID - LUMP SUM BID PRICE: Bid price shall include Nebraska sales tax (5.5%) and contingency allowance of \$15,000.</p> <p>A. Construct 34.5-12.47Y/7.2 kV substation including steel structures, bus work, isolation switches, underground feeder exits, foundations, fence, grounding, rock surfacing and all other components necessary for a complete installation.</p> <p>B. Install Owner-furnished outdoor 15 kV circuit reclosers (4 each) and 35 kVA vacuum fault interrupter (VFI).</p> <p>C. Make HV, LV, and control connections to Owner-furnished 34.5-12.47 kV power transformer.</p> <p>D. Other construction as specified in the bidding documents.</p>	\$475,076.00	\$595,000.00	\$678,897.48	\$700,397.47
Substantially Complete On or Before:	November 6, 2015	December 1, 2015	August 31, 2015	December 31, 2015
Complete and Ready for Final Payment On or Before:	November 20, 2015	December 31, 2015	August 31, 2015	January 15, 2016
Addendum No. 1	YES	YES	YES	YES
Bid Guarantee:	5% BID BOND	5% BID BOND	5% BID BOND	10% BID BOND
Remarks:				