



Legislation Details (With Text)

**File #:** 22-0341      **Version:** 1

**Type:** BID, RFP, RFQ, COOP, SOLE SOURCE, OPTION YEAR      **Status:** Passed

**File created:** 3/6/2022      **In control:** City Council

**On agenda:** 4/5/2022      **Final action:** 4/5/2022

**Title:** Approve the award of Bid 22-022, West Highlands and Maplebrook East Water Main Replacement to, J. Congdon Sewer Service for an amount not to exceed \$3,210,558.41 plus a 3% contingency

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. WU004

Date	Ver.	Action By	Action	Result
4/5/2022	1	City Council	approved	Pass

**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve the award of Bid 22-022, West Highlands and Maplebrook East Water Main Replacement to, J. Congdon Sewer Service for an amount not to exceed \$3,210,558.41 plus a 3% contingency

**DEPARTMENT:** Water Utilities

**SUBMITTED BY:** Darrell Blenniss, Director

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

In February 2022, the Water Utilities issued bid 22-022, West Highlands and Maplebrook East Water Main Replacement. The project includes Modaff Road from Westglen Dr to Gartner Rd, Oxford Lane from Pier Ave to Surrey Ave, Brad Court, Bernie Court and portions of Bell Dr and Surrey Ave.

The purpose of the project is to replace aging and functionally deficient water mains in the West Highlands and Maplebrook East subdivisions. Water mains vary in size from six inches to 16 inches and consist of poor-quality ductile iron installed in the 1960s and 1970s. Where necessary, water mains will be upsized from six inches to eight inches and 10 inches to 12 inches in accordance with City standards.

**DISCUSSION:**

Advertisement Date:	2/23/2022	Notices Sent:	251
Bid Opening Date:	3/10/2022	Planholders:	13
		Proposals Received:	3

Bids were received from the following vendors:

Vendors Name	Proposed Cost
<i>Engineers Estimate</i>	\$2,422,655.00
<b>J Congdon Sewer Service</b>	<b>\$3,276,080.01</b>
Copenhaver Construction	\$3,870,318.25
Performance Construction and Engineering LLC	Non-responsive

Prior to the bid opening, Baish Excavating advised the firm would not submit a bid due to the large size of the project. Performance Construction and Engineering LLC did not provide the required documents for the bid.

The low bid for the project is 35% greater than the engineer's estimate. The discrepancy is attributed to the following factors:

- Material shortages
- Labor shortages
- Generally high rate of inflation
- International political and economic uncertainty

While costs are greater than anticipated, it is not in the best interest of the Water Utilities to cancel, delay or re-bid the project. The current economic climate is anticipated to continue for the foreseeable future. To mitigate the cost of construction, staff negotiated with the low bidder a 2% reduction from the submitted low bid. The agenda item contains the final negotiated cost of work.

Staff believes the low bid submitted is reasonable for performing the work as specified. Staff has experience with J Congdon Sewer Service and found them to be a capable contractor on similar projects.

The completion date for the project is September 30, 2022.

**FISCAL IMPACT:**

CIP: WU004

The 2022 program for Water Distribution System - Rehabilitation and Replacements (WU004) is budgeted at \$7,941,000. The West Highlands and Maplebrook East water main project is one component of that program and is budgeted at \$3,276,080.01. While the total bid comes in \$853,425 more than budgeted, the project is a high priority in the 2022 CIP. Staff will monitor future project bids and adjust the 2022 CIP as needed.

Account Number	Fund Description	Total Budget Amount
41252000-551502	Water Capital	\$27,438,275

Per Council directive, contingency on construction projects is set at 3% on projects over \$500,000 and 5% on projects under \$500,000.