



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Jason Sorenson, Assistant Director of Public Works

DATE: April 1, 2020

**SUBJECT: 2020 WATERMAIN REPLACEMENT AWARD OF BID
(CITY PROJECT NO. 4493)**

I. RECOMMENDED ACTION

- A. Recommend council to award the bid for the 2020 Watermain Replacement Project to Post Construction for the lowest bid of \$1,647,433.95.
- B. Authorize a budget amendment in the amount of \$222,433.95 to utilize cash reserves to cover the shortfall plus a contingency to cover unknowns.

II. DEPARTMENT CONTACT PERSONS

Dan Jonasson, Director of Public Works 857-4140
Jason Sorenson, Assistant Director of Public Works 857-4140

III. DESCRIPTION

A. Background

Each year, the Water and Sewer Department budgets funds for water main replacement in areas where old water mains are in poor condition. The proposed improvements are necessary because of the high maintenance costs over the past several years with respect to the old mains and hydrants.

On Tuesday, March 31, 2020 at 11:00 a.m., bids were opened for the 2020 Watermain Replacement Project. A tabulation of the bids is below:

2020 Watermain Replacement Project Bid Tabulation City Project #4493	
Engineers Estimate: \$ 1,559,708.50	
Bidder	Total Bid
Post Construction	\$1,647,433.95
Steen Construction	\$1,873,104.00
Wagner Construction Inc.	\$1,852,378.14

The lowest bid was received by Post Construction in the amount of \$1,647,433.95.

B. Proposed Project

Work for this project will take place in seven different locations throughout the City's right of way. The locations can be found on the attached plan cover sheet.

- C. Consultant Selection
N/A

IV. IMPACT:

- A. Strategic Impact:
N/A

- B. Service/Delivery Impact:
N/A

- C. Fiscal Impact:
This project was budgeted in the 2020 budget in the amount of \$1,500,000.

Project Costs

Engineer's Estimate:	\$1,559,708.50
Contractor's Bid:	\$1,647,433.95
Contingency	\$75,000.00
Total Construction Cost	\$1,722,433.95

It is recommended the additional \$147,433.95 plus a contingency of \$75,000 come from cash reserves.

- V. ALTERNATIVES**
N/A

- VI. TIME CONSTRAINTS**
N/A

- VII. LIST OF ATTACHMENTS**
 - A. Plan Cover Sheet
 - B. Budget Amendment