



MAYOR & COUNCIL COMMUNICATION

DATE: 06/03/2014

REGULAR

ITEM # 12

AGENDA ITEM: Lake Elmo Ave Trunk Watermain Improvements – Accept Bids and Award Contract

SUBMITTED BY: Jack Griffin, City Engineer

THROUGH: Dean A. Zuleger, City Administrator

REVIEWED BY: Chad Isakson, Project Engineer
Cathy Bendel, Finance Director
Mike Bouthilet, Public Works

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item.....City Engineer
- Report/Presentation.....City Engineer
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate.....Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Engineering

FISCAL IMPACT: \$2,427,500.00.

Approval of this resolution commits the council to entering into a construction contract for the project in the amount of \$2,015,687.39 and incurring the other project related construction costs including engineering construction administration, staking, inspection, record drawings, geotechnical services, and contingency budget in the amount of \$411,800.

The Lake Elmo Avenue Trunk Watermain Improvements construction contract amount is \$2,015,687.39. The total estimated feasibility report project cost was \$2,894,000. With the reduced construction bid, the total estimated project cost is reduced roughly \$395,600 to \$2,498,400 with \$70,900 already expended in engineering report and design. The project is scheduled to be paid through a combination of water enterprise funds, in the amount of

\$2,405,600, and special assessments in the amount of \$92,800. The city cost share, or water enterprise funds will be financed through the issuance of bonds with the bond payments paid with the collection of water availability and water connection charges.

SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider accepting contractor bids as presented and award a contract for the Lake Elmo Avenue Trunk Watermain Improvements. The recommended motion for this action is as follows:

“Move to approve Resolution No. 2014-38, Accepting Bids and Awarding a Contract to GM Contracting Inc., in the amount of \$2,015,687.39 for the Lake Elmo Avenue Trunk Watermain Improvements.”

LEGISLATIVE HISTORY/BACKGROUND INFORMATION:

Bids were received, publicly opened, and read aloud on Thursday May 15, 2014. The city engineer and design consultant has prepared and attached the Tabulation of Bids and a letter of recommendation for the award of the contract. The City received three (3) bids for this project, with GM Contracting Inc., providing the lowest bid in the amount of \$2,015,687.39. The Engineer’s feasibility construction cost estimate for the project was \$2,175,000.00.

Contractor references for GM Contracting Inc. were reviewed and verified. The City Engineer and his consultant are therefore recommending that the Council award the contract to the lowest responsible bidder, GM Contracting Inc., as outlined in the attached letter.

The City Council approved the Plans and Specifications for the Lake Elmo Avenue Trunk Watermain Improvements on April 15, 2014, and authorized staff to advertise the Project for bids. The Project was advertised on QuestCDN.com and in the Oakdale-Lake Elmo Review in accordance with the Minnesota Competitive Bidding requirements. The improvements include:

- Construction of approximately 13,700 LF of 16-inch watermain extending from the existing watermain at Lake Elmo Avenue and 30th Street south to future 5th Street.
- Replacement of 11 existing water service connections and installation of 32 new service stubs to existing properties to provide property owners the opportunity to hook up to municipal water.
- Traffic control, Erosion control, cleanup and site restoration.

RECOMMENDATION:

Staff is recommending that the city council approve Resolution No. 2014-38, thereby accepting bids and awarding a contract to GM Contracting Inc., in the amount of \$2,015,687.39, for the Lake Elmo Avenue Trunk Watermain Improvements. The recommended motion for this action is as follows:

“Move to approve Resolution No. 2014-38, Accepting Bids and Awarding a Contract to GM Contracting Inc., in the amount of \$2,015,687.39 for the Lake Elmo Avenue Trunk Watermain Improvements.”

ATTACHMENT(S):

1. Resolution No. 2014-38 Accepting Bids and Awarding a Contract.
2. Tabulation of Bids and Engineer’s Letter of Award Recommendation.
3. Project Schedule.