



Meeting Date: August 7, 2017

Report No. SUA-17-23

Agenda Item No. 2b

Purpose: To provide the SUA Trustees with the bid results for Phase 2 Flow Equalization Basin Improvements (12SG08) and Phase 1 Sludge Holding Beds (15SG05) being constructed together and to recommend action.

Budget Impact: With the SUA Trustees' authorization, funds for 12SG08 and 15SG05 will be administratively appropriated from the SUA Wastewater Fund, which contains sufficient funds to complete the work.

Prior Council Action or Part of an Approved Project: Yes

Related Items:

SUA-16-39: [Amendment to 12SG08 PSA for FEB Liner](#)

SUA-15-48: Construction Bids Received for FEB Construction, Phase 1 (Attachment I)

SUA-12-27: WWTP Flow Equalization Basin Design, Request for Authorization (Attachment II)

Alternatives: The following alternatives are available to the Trustees:

1. Award the bid and authorize the project.
2. Rebid the project. Contract pricing is not anticipated to significantly change with a new bid phase.
3. Postpone or cancel the project. The WWTP is currently operating without the ability to use the Flow Equalization Basin.

Recommendation: Staff recommends:

1. Award the bid to lowest responsible bidder, Wynn Construction, in the amount of \$712,280 and authorize staff to execute the construction contract.
2. Authorize staff to execute professional services agreements for inspection and testing services in the amount of \$19,200;
3. Authorize total combined project expenditures of \$805,000 for construction, inspection, testing and approximately 10% in contingency.

Prepared by: Water Resources Staff

Reviewed by: William Millis, WR Director

Reviewed by: Dan Blankenship, Deputy City Manager

Submitted by: Dan Blankenship, Deputy City Manager

Background Information: The flow equalization basin (FEB) primarily serves to provide temporary storage for increased flow during storm events. During construction work on the FEB in 2016, it was discovered that the FEB liner was not properly sealed and the sidewalls were not adequately supported by an appropriate foundation. Additionally, the contractor was unable to demonstrate the required qualifications to perform the side wall crack and joint repair work. These issues caused the need for a second phase.

When Phase 2 design work was initiated, the effort was combined with 15SG05: Sludge Holding Beds in order to improve project cost and staff efficiencies. Bids for the combined project effort were solicited by advertising in the Stillwater NewsPress on May 14, 2017 and May 21, 2017. Invitations to bid were also sent to 65 prospective bidders as well as five plan rooms within the region. Five bidders or suppliers attended the pre-bid conference held on May 25, 2017. One addendum was issued. Three bids were received, opened, and read aloud on June 7, 2017. The bids are summarized below:

Bidder	Bid Amount
<i>Engineer's Estimate</i>	\$375,000.00
Kalka Construction	\$698,709.26
Wynn Construction Co.	\$712,280.00
Meridian Contracting, Inc.	\$956,000.00

Each bid package submitted contained some degree of bid irregularities. WR staff investigated and evaluated the bids after opening in an attempt to equitably resolve the irregularities. Staff requested clarification from the 2 lowest bidders. The apparent low bidder, Kalka Construction, was not able to provide the required minimum qualifications to self-perform the work, as submitted. Kalka submitted qualifications of an approvable subcontractor, whose pricing was approximately \$130,000 higher than Kalka's bid price. However, Kalka proposed to perform the project for the original bid price. With this increase, an unbalanced bid would be created, because the contractor would have to make up this discrepancy on other work items. Because each element of the bid is not carrying its proportionate share of the total cost of the work plus anticipated profits, overhead costs and indirect costs, staff finds this bid to be unbalanced and not responsible. To maintain a balanced bid, Kalka's new bid price would be approximately \$830,000.

The next apparent low bidder is Wynn Construction. Wynn's submittal package did not include the qualifications for their subcontractor. After bid opening, Wynn submitted the qualifications of an approvable subcontractor. Wynn has been in business since 1958, has experience with similar projects, is the low bidder after Kalka's adjustment and is the recommended contractor for this Project.