



October 11, 2024

Mr. Rod Philo, Environmental Services Superintendent
City of Arkansas City
118 W. Central
P.O. Box 778
Arkansas City, KS 67005-0778

Re: Water Supply Well No. 16
PEC Project No. 35-221014-000-0665

Dear Mr. Philo:

Bids were received and publicly opened for the above referenced project on September 20th, 2024. One bid was received: Wildcat Construction Company, Inc. (\$638,300.00). The bid met bidding requirements and the bidder is qualified for this project. All bid costs were similar to the engineers estimate except the electrical-related costs. While the bid was above the engineer's estimate, factors such as current industry worker shortage and cost increases for the duct bank installation and the generator resulted in higher prices compared to when the estimate was prepared. The bid is presented as Attachment A and the bid tabulation is presented as Attachment B.

Wildcat received bids from four electrical subcontractors – Atlas Electric, Kilian Electric, Shelley Electric, and Phillips Southern. Three of the four bids were between approximately \$250,000 and \$260,000 and the fourth was significantly higher. The engineers estimate for the scope these subcontractors bid on was \$150,000. The difference was related to significant increases in generator costs and underestimating the cost associated with installing the long runs of duct banks for the power feed to the well platform and generator platform. These duct banks are constructed with concrete requiring rebar; previous well projects in the City's wellfield have not required long duct bank runs or concrete with rebar based on their proximity to the power source.

The advertisement for bids was sent directly to several qualified local contractors including UCI, Nowak, Wildcat, Dondlinger, and Crossland as well as posted to several plan rooms. PEC then contacted contractors to determine interest in submitting bids but given the current workloads and worker shortage issues, only Wildcat was able to submit a bid. Given the current labor shortage in the construction industry and the workloads of local qualified contractors, rebidding the project would potentially lead to price escalation. If the City decides to proceed with the bid, please sign the document and provide a copy of the executed Notice of Award provided in Attachment C to PEC.

If you have any questions or comments, please contact me at (316)206-1410 or by email at Nicole.Franken@pec1.com.

Very truly yours,

PROFESSIONAL ENGINEERING CONSULTANTS, P.A.

Nicole Franken, P.E.
Project Engineer

NDF/ev

Enclosed: As Noted