

STAFF REPORT

DATE: March 12, 2025

TO: Ted Henry, City Manager

FROM: Anne Stephens, PE, City Engineer

RE: Chapel Landing 6th Sanitary Sewer, Water, Storm Sewer and Paving Bids



BACKGROUND:

The Developer of Chapel Landing 6th is ready to move forward with the construction of the Water, Sanitary Sewer, Storm Sewer and Paving Improvements to support the subdivision.

DISCUSSION:

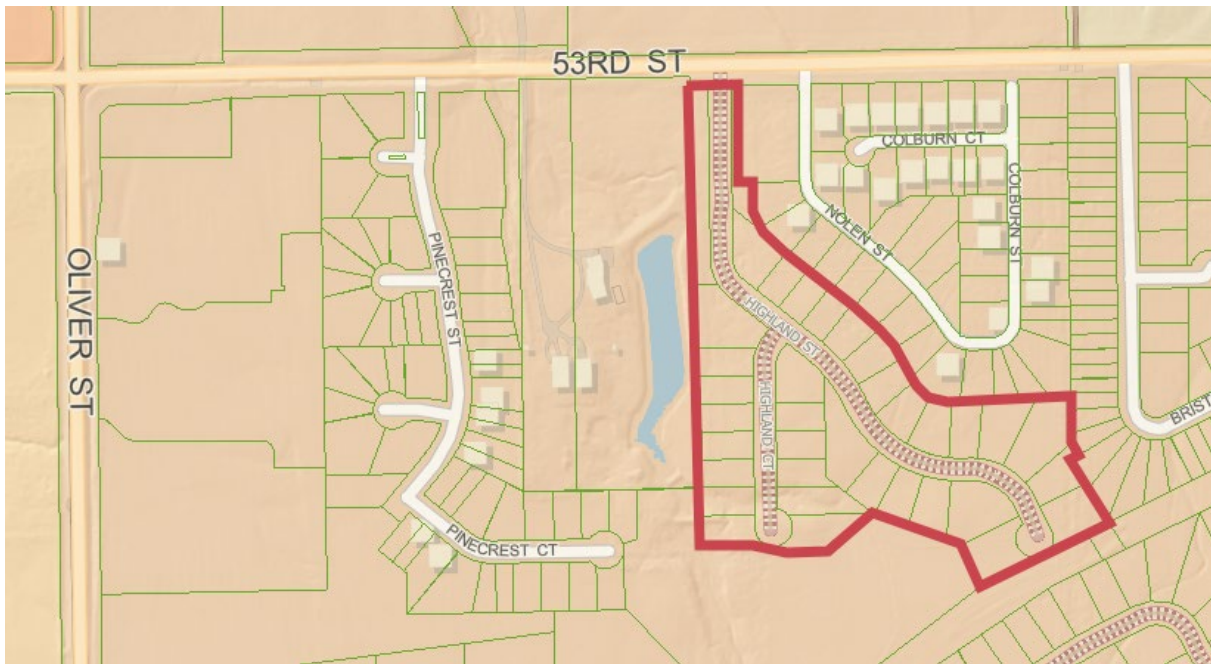
Baughman worked with the Developer to design the improvements for Chapel Landing 6th. Bids were accepted on October 3, 2024 for the project. Three contractors responded to the solicitation.

Bidder	Total Bid w/ Asphalt Paving	Total Bid w/ Concrete Paving
Engineer's Estimate	\$1,411,435.00	\$1,411,435.00
Dondlinger	\$2,198,702.65	\$2,375,334.65
Mies	\$1,982,486.95	\$2,119,499.15
Nowak	\$1,954,437.45	\$2,146,785.45

This project came considerably over the Engineer's Estimate so the Developer requested to hold the project until they could decide what they wanted to do. In February, 2025, Baughman reached out to me asking if they could negotiate directly with Mies (they assumed that the City would choose the concrete option, which is why they negotiated with Mies and not Nowak) to try to come to a bid price that was acceptable to the Developer. Since we have negotiated projects following bids before, I authorized the negotiation, noting that any final approval and award of the contract would be at the discretion of the City Council.

Baughman worked with Mies and made the following adjustments to the project:

1. Adjusted the working days and start date for the project from 90 (as bid) to 120.
2. Removed Alternate #1 (Additional Import of 10,000 cubic yards of soil).
3. Include the soil that the Developer imported to the project site in the interim in the mass grading/street portion of the project.



FINANCIAL CONSIDERATIONS: The cost of the improvements for these projects will be financed through a bond and spread as special assessments against the benefiting lots.

POLICY DECISION: Staff adhered to the purchasing policy in gathering a minimum of three bids for the project, then due to the high costs, ended up negotiating with Mies Construction.

RECOMENDATION: Staff recommends that the City Council accept the revised bid from Mies Construction in the amount of \$1,996,499.15.