
Memorandum

To: Michael Dickson, Director
From: Brian Friery, Assistant Director
Date: July 7, 2022
RE: Natural Gas Main Extension
Great Valley Commerce Center
Cartersville Project No. SP-21-005

As you know, sealed bids were opened for the above referenced project on July 7, 2022 following a four-week advertisement in the City's official organ and postings on the Georgia Procurement Registry as well as the City's official website. Out of two (2) bid proposals received, the low bid was submitted by Southeastern Natural Gas Services of Rome, Inc. of Lindale, Georgia in the amount of \$194,100.00. The second bid was submitted by Pride Utility Construction Company LLC of Chestnut Mountain, Georgia in the amount of \$206,400.00. Attached is a tabulation of the bids.

By an engineer's estimate prepared October 12, 2021, we estimated the construction cost of this project to be approximately \$122,000.00. A portion of the materials for this project, however, will be provided by the City. The bid proposal received is significantly higher than the estimate based on today's volatile costs associated with labor, equipment, materials and fuel. This project, however, is fully reimbursable by a separate Extension Agreement between the City and the Developer approved by Council at the regular Council Meeting dated June 2, 2022 whereas the Developer agrees to reimburse the City all of the costs associated with this project. The Developer has been notified of the bid proposal received and has accepted the amount. Southeastern Natural Gas Services of Rome, Inc. of Lindale, Georgia has completed numerous projects for the Gas System in the past and is fully capable of satisfactorily completing this project. The Gas System, therefore, recommends the City award the construction contract for this project to Southeastern Natural Gas Services of Rome, Inc. of Lindale, Georgia in the total amount of \$194,100.00.

All affidavits required by O.C.G.A. §50-36-1 et. Seq. and O.C.G.A. §13-10-91 et. Seq. and DOL Rule 300-10-1-.02 have been duly executed and were provided with the bid proposal received.

As you know, the steel line pipe will be provided by the City and is also reimbursable by the Extension Agreement.

TABULATION OF BIDS

				1		2					
Contractor:				S'eastern Natural Gas Serv. Lindale, Georgia		Pride Utility Construction Chestnut Mountain, Georgia					
<i>Estimate:</i> \$122,000.00				BASE BID: \$194,100.00		BASE BID: \$206,400.00		BASE BID:			
ITEM NO.	DESCRIPTION	EST. QTY.	UNIT	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1.	4-1/2" O.D.-.188" W.T., F.B.E. Coated, ERW X42/X52 Steel Line Pipe ¹	3,500	L.F.	\$29.00	\$101,500.00	\$48.00	\$168,000.00	\$46.00	\$161,000.00		
2.	Connection to Existing 4" Steel	1	Ea.	\$1,500.00	\$1,500.00	\$850.00	\$850.00	\$6,400.00	\$6,400.00		
3.	Temporary Grassing	6,000	S.Y.	\$0.75	\$4,500.00	\$0.50	\$3,000.00	\$1.00	\$6,000.00		
4.	Permanent Grassing	6,000	S.Y.	\$1.75	\$10,500.00	\$2.25	\$13,500.00	\$3.00	\$18,000.00		
5.	Solid Rock Excavation	50	C.Y.	\$80.00	\$4,000.00	\$175.00	\$8,750.00	\$300.00	\$15,000.00		
BID PROPOSAL				<i>Total:</i>	\$122,000.00	<i>Total:</i>	\$194,100.00	<i>Total:</i>	\$206,400.00	<i>Total:</i>	

¹ The estimated quantity of steel line pipe used in the original project estimate was 3,600 L.F for a total estimated contractor labor cost of \$124,900.00.