



CITY COUNCIL ITEM SUMMARY

MEETING DATE:	July 21, 2022
SUBCATEGORY:	Bid Award/Purchases
DEPARTMENT NAME:	Gas
AGENDA ITEM TITLE:	Natural Gas Main Extension Great Valley Commerce Center
DEPARTMENT SUMMARY RECOMMENDATION:	<p>Sealed bids were opened for this 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.</p> <p>By an engineer's estimate prepared October 12, 2021, the construction cost of this project was estimated at \$122,000.00 with a portion of the materials 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 June 2, 2022 Council Meeting whereas the Developer agrees to reimburse the City all of the costs associated with this project.</p> <p>The Developer has been notified of the bid proposal received and has accepted the amount. Southeastern Natural Gas Services of Rome, Inc. 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. in the total amount of \$194,100.00.</p>
LEGAL:	N/A