



## STAFF REPORT

Regular City Commission Meeting

June 13, 2024

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**To:** Elected Officials

**From:** Dale L. Martin, City Manager

**Date:** June 8, 2024

**Item Name:** Award Bid No. FB-24-2105 for Potable Water Well #16 to McMahan Construction Co., Inc. in an amount not to exceed \$881,760.

**Background:** Water and Sewer Infrastructure projects were included in the eligible criteria for funding under the American Rescue Plan Act (ARPA). The City engaged Mead & Hunt to design, permit, provide bidding assistance, construction services, and 120 hours of Inspection services. The bid package was posted to the City's website and listed on Demand Star. The package was broadcast to 142 companies in the field of well construction. Two competitive bids were received and were within 0.2% of each other.

The City in past projects has worked with both bidders. McMahan Construction has constructed several of the City's well's the latest being Well 15. Staff recommends the Commission award the bid to McMahan based upon past experience with the contractor, the quality of work performed, and the level of communication between the contractor, engineer and staff exceeded expectations.

**Fiscal Impact:** The City received \$1,000,000 in ARPA funding for New Well Planning & Construction. The bid award amount is \$881,760, the associated generator \$66,639 and the Engineering fees are \$85,936. The project totals \$1,034,335. This amount is \$34,355 more than the city received the ARPA funding. \$885,000 was included in the 2022/2023 FY Water Treatment Plant Budget (401-5331-606300) for the well construction, and the funds were encumbered. The bids came in 23% higher than projected likely due to increases in material and labor costs. Finance will look for monies in the treatment plant budget to cover the shortage and if necessary, submit a budget amendment at year end.

**Staff Recommendation:** Award Bid No. FB-24-2105 to McMahan Construction Co., in the amount of \$881,760.

**Attachments:** Recommendation of Award from the Consulting Engineer, Bid Tabulation, Notice of Intent to award, Legal Ad Affidavit, Notice of Bid