



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: May 19, 2025 Staff Member/Dept: Mick Mummert/Wastewater Division

Agenda Item: Recommendation to Approve Purchase Order #25119 with Engineered Structures, Inc. for Solids Dewatering Improvements Construction Services.

Recommended Motion:

I move to approve Purchase Order #25119 with Engineered Structures, Inc. for Solids Dewatering Construction Services for the contract amount of \$9,284,600.00.

Reasons for Recommendation:

- The Solids Dewatering Improvements are part of the Wastewater Treatment Plant Facilities Plan upgrades.
- Solids dewatering decreases the volume and weight of biosolids being hauled which results in less time and energy used for hauling.
- Engineered Structures, Inc. is the lowest bidder in the competitive bidding process

Policy Analysis and Background (non-consent items only):

Sustainability Impact:

None OR state impact here: Upon completion of this project, the energy used to convey dewatered biosolids will be reduced by approximately 75%.

Financial Impact:

None OR Adequate funds exist in account:	This is a budgeted expense in the Capital Improvement Projects category of Wastewater Division Expenditures. This expense will be shared equally with the Sun Valley Water and Sewer District.
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Attachments:

1. Purchase Order #25119
2. Engineers Bid Review and Recommendation
3. Notice of Award



CITY OF KETCHUM

PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER

BUDGETED ITEM? ____ Yes ____ No

PURCHASE ORDER - NUMBER: 25119

To: 6333 ENGINEERED STRUCTURES, INC 2200 S COBALT POINT WAY MERIDIAN ID 83642	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
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P. O. Date	Created By	Requested By	Department	Req Number	Terms
05/08/2025	CCHING	CCHING			

Quantity	Description	Unit Price	Total
1.00	Dewatering Improvements Project Construction 67-4350-7818	9,284,600.00	9,284,600.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		9,284,600.00

Authorized Signature



May 7, 2025

Mr. Trent Donat
Ketchum City Clerk & Business Manager
191 Fifth St. W.
City of Ketchum
Ketchum, Idaho 83340

Subject: Ketchum / SVWSD Water Reclamation Facility
Solids Dewatering Improvements Project
Bid Review

Dear Mr. Donat:

The purpose of this letter is to report on HDR's review of the Ketchum / Sun Valley Water & Sewer District (SVWSD) WRF Solids Dewatering Improvements project bid results. The bid documents were advertised on March 12th, 19th, and 26th with a bid date of April 16, 2025. The bid opening was delayed to April 23, 2025 by addendum. There were six addendums to the documents. The bid review findings are presented in the following paragraphs and tables.

BID RESULTS

Three bids were received for the Solids Dewatering Improvements project. All bidders acknowledged the six addendums, included the 5% bid bond, and provided a signed submittal. The bids arranged from low to high are shown in Table 1 below.

Table 1. Solids Dewatering Improvements Bid Summary

Bidder	Bid Amount
ESI	\$9,284,600
GSE	\$10,454,300
RSCI	\$10,567,000

EVALUATION OF BIDS

The engineer's opinion of probable construction cost (OPCC) was \$11.26M and all three of the bids were under the engineer's estimate. The OPCC carried an upper range contingency of 15 percent (normal range of 5 to 15%) due to uncertainty in the current bidding market. Carrying a higher contingency appears to have been unnecessary.



The second bid is approximately 12.5% higher than the apparent low bid. The second and third bids were within approximately 1% of each other. HDR discussed the difference in pricing with ESI and it can likely be attributed to the following:

- ESI developed a preliminary plan (subject to approval by Owner/Engineer) that negates the requirement for temporary pumping.
- A current ESI project nearby to be completed allows for easy transition into Solids Dewatering Improvements work.
- Potential of ESI acquiring better materials and subcontractor pricing than other bidders.

LOW-BIDDER EVALUATION

ESI is a Boise, Idaho based licensed contractor (PWC-C-11288-UNLIMITED-3-4-5; RCE-3108). ESI listed three subcontractors performing specialty work on the project as required by Idaho Code. The categories listed on the bid form included:

Plumbing – Evan’s Plumbing (licenses: RCE-4127; 035960 Plumbing Contractor License – Expiration July 31, 2027)

HVAC – Idaho Refrigeration (licenses: RCE-9685; HVC-C-5017 Randy Keuhey HVAC Contractor License – Expiration June 30, 2027)

Electrical – DL Electric LLC (license: 056890 Electrical Contractor License – Expiration Nov. 30, 2025)

A qualifications package was sent by ESI as requested in the Contract Documents from the low-bidder. ESI was formed in 1973 (52 years ago) and Neil Nelson is the President & CEO in Boise, Idaho. The business has over 1,000 employees and does approximately \$1B of construction work per year.

Current projects include City of Challis Water System Improvements (\$6.75M, completion 2025) and City of Pocatello Water Pollution Control Facility (\$10.8M completion summer 2025), and numerous projects completed in the last 5 years. The proposed project manager and project superintendent are both experienced and qualified. ESI’s Total Recordable Frequency Rate (TRFR) rating has ranged between 0.57 and 1.08 from 2022 to 2024 and indicates a better-than average safety record.

The low bidder ESI is an experienced public works contractor, especially in regards to heavy civil and structural projects. HDR has experience working with ESI on a wastewater construction project for True West Beef in Jerome, ID as listed in their previous experience.

REFERENCES

HDR contacted references ESI listed in their previous experiences with similar projects, including projects identified for City of Pocatello, True West Beef, and City of Nampa. All references had positive experiences working with ESI.



CONCLUSION

Based on the evaluation of the bids described above, it is recommended that the City of Ketchum and SVWSD award the Solids Dewatering Improvements contract to low bidder ESI for the bid amount of \$9,284,600. Enclosed is the completed Agreement for the City and District to send to ESI for execution along with delivery of their bonds and insurance.

If the Notice of Award and Agreement are sent out after the May 19th meetings, the final execution of the Agreement with Notice to Proceed could be completed by the Council and Board on June 16th. A pre-construction meeting between ESI, City, and HDR will be tentatively scheduled for June 18th.

Please call if you have any questions (208-387-7073).

Sincerely,
HDR ENGINEERING, INC.

A handwritten signature in blue ink, appearing to read 'Bradley Bjerke'.

Bradley Bjerke, P.E.
Project Manager

Enclosure

cc: Chris Benson, SVWSD Operations Manager
Mick Mummert, Ketchum Wastewater Superintendent

SECTION 00 51 16
NOTICE OF AWARD

Date of Issuance: May 19, 2025

Owners: City of Ketchum, Idaho and Sun
Valley Water and Sewer District

Owner's Contract No.:

Engineer: HDR Engineering, Inc.

Engineer's Project No.: 10397974

Project: Ketchum / SVWSD WRF
Solids Dewatering Improvements

Contract Name: Ketchum / SVWSD WRF
Solids Dewatering
Improvements

Bidder: Engineered Structures, Inc.

Bidder's Address: 2200 S. Cobalt Point Way, Meridian, ID 83642

TO BIDDER:

You are notified that Owner has accepted your Bid dated April 23, 2025 for the above Contract, and that you are the Successful Bidder and are awarded a Contract for:

Demolition of existing Gravity Sludge Thickener, Transfer Pump Building, and existing metal building surrounding existing aerobic digester. Demolition of existing yard piping, as well as pumps and valves at the Plant Drain Pump Station. Structural and process modifications to existing aerobic digester to divide into two separate tanks with new aluminum cover. Construction of new Dewatering Building consisting of a sludge pumping basement, electrical room, and main level for Owner-furnished dewatering equipment, future thickening equipment, future digester blowers, polymer containment, and dewatered biosolids truck. Site improvements including plant internal drain system upgrades and repairs and new asphalt paving.

The Contract Price of the awarded Contract is: \$9,284,600.00.

Four (4) unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award (transmitted to Bidder electronically).

Please deliver within 15 days of the date of this Notice of Award:

1. Deliver to Owner four (4) counterparts of the Agreement, fully executed by Bidder.
2. Deliver with the executed Agreement(s) the Contract security (*e.g., performance and payment bonds*) and insurance documentation as specified in the Instructions to Bidders and General Conditions, Articles 2 and 6.
3. Other conditions precedent (if any): None

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

Owners: City of Ketchum, Idaho and Sun Valley Water & Sewer District (SVWSD)

By:	<u>Neil Bradshaw</u>	By:	<u>Peter Hendricks</u>
	<u>(Authorized Signature)</u>		<u>(Authorized Signature)</u>
Title:	City of Ketchum, Idaho Mayor		SVWSD Board of Directors Chairman
Date:	<u></u>		<u></u>

Copy: Trent Donat, Ketchum City Clerk
Chris Benson, SVWSD General Manager
Brad Bjerke, HDR Engineering