



City of Ketchum

March 16, 2020

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors

Recommendation to Approve Ketchum Springs Water System Conversion Phase III with Canyon Excavation LLC.

Recommendation and Summary

Staff recommends Council approve the contract **#20457** and adopt the following motion:

I move to enter into contract #20457 with Canyon Excavation LLC in the amount of \$289,991.50, with a 15% contingency of \$43,498 for a total project cost of \$333,498.50

The reasons for the recommendation are as follows:

- The City is currently served by two water systems. The newer municipal system and the failing Ketchum Springs System (KSW).
- KSW is not a metered system making it impossible to measure exactly how much we are losing through leakage.
- Last year after the first two phases, Ketchum produced 61 million gallons less than 2018.
- Current mains were installed in the 1960's and are failing and unsustainable.

Introduction and History

On December 2, 2019, Council and Mayor authorized Galena Engineering to begin the process of how to abandon the public portion of Ketchum Springs Water System, phase III. This phase consists of sections 2,3A, 3 & 6, approximately 40 properties. The area of this phase of work is everything west of Main Street and north of Sun Valley Road. Also included is North of Sun Valley Road between Main Street and Leadville Ave.

Property owners will be required to make connection to the installed water meter vaults by August 28, 2020 to maintain water service. We have factored in some grace time to help in the event of extenuating circumstances. Water Division personnel will turn off the supply for this section of the Ketchum Spring Water System no later than September 15, 2020.

Analysis

This is the third phase of an anticipated 4 stage project. Several bid alternatives were explored and depending on finances, we may return for approval of additional work. We continue to see a strong decline in our water production.

Per Idaho Public Works Construction Bidding procedures this project was formally bid and noticed. Bid notices were published in the Idaho Mountain Express on Wednesday, February 19, 2020 and Wednesday, February 26, 2020. Bid documents were posted online on the City of Ketchum's website as well as the Association of General Contractors (AGC) website. In addition, the City Water Supervisor and City Engineer directly contacted local contractors in the Wood River Valley to inform them of the project.

An optional Pre-bid walk was held on Thursday February 27th. In total 1 contractor attended the meeting as well as Water Department staff.

Bids were opened and read outload on Wednesday, March 4, 2020. The City received 1 qualified bid as summarized below:

Bidder/Contractor	Bid Amount	Total
Canyon Excavation LLC	\$289,991	\$333,489.50

The contractor will provide all the necessary materials, labor and equipment to complete the project. The completion date targeted for this phase is August 28, 2020.

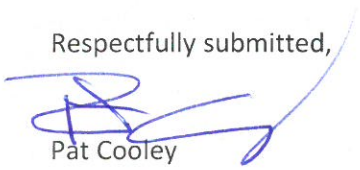
Sustainability

- Last year's production of 61 million gallons less than the previous year lowers our output to 1997 levels. We have basically accommodated 23 years of growth through this project.
- 61 million gallons not produced is approximately \$ 7,300.00 in power savings.

Financial Impact

This phase will be funded from the Water Department's Capital Improvement fund.

Respectfully submitted,



Pat Cooley
Water Supervisor

Attachments:
Construction Bid Form-Canyon Excavation LLC
Construction Contract.

NOTICE OF AWARD AND ACCEPTANCE BY CONTRACTOR

TO: CONTRACTOR: _____
ADDRESS: _____

FROM: OWNER: CITY OF KETCHUM, IDAHO
PROJECT: Ketchum Spring Water Line Conversion- Phase 3

The OWNER has considered the Bid Proposal submitted by you for the project noted above in response to its Invitation to Bidders dated _____, 2020.

You are hereby notified that your Bid Proposal has been accepted for items according to the BID PROPOSAL - SCHEDULE OF ITEMS AND PRICES.

in the amount of:

You are required by the Instructions to Bidders to execute the AGREEMENT and furnish the required PERFORMANCE BOND, PAYMENT BOND, and CERTIFICATES OF INSURANCES within fifteen (15) calendar days from the date of this Notice to you.

If you fail to execute said AGREEMENT and to furnish said Bonds and Insurance within fifteen (15) days from the date of this Notice, the OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your Bid Proposal as abandoned and award the WORK covered by your Bid Proposal to another Bidder, or to re-advertise the WORK or dispose thereof, as the OWNER may see fit and is entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this _____ day of _____, 2020.

CITY OF KETCHUM

By: _____

Title: _____

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged on this _____ day

of _____, 2020 by: _____
(Contractor)

By: _____

Title: _____

This AGREEMENT, made this _____ day of _____, 2020,
by and between the City of Ketchum, Idaho, hereinafter called "OWNER" and

_____, hereinafter called "CONTRACTOR".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will commence and complete the construction of: KETCHUM SPRING WATER LINE CONVERSION- PHASE 3.
2. The CONTRACTOR will furnish all of the material, supplies, tools, equipment, labor and other services necessary for the construction and completion of the WORK described herein.
3. The CONTRACTOR will commence the work required by the CONTRACT DOCUMENTS on _____ and will complete the same by _____, unless the period for completion is extended otherwise by the CONTRACT DOCUMENTS.
4. The CONTRACTOR agrees to perform all of the WORK described in the CONTRACT DOCUMENTS and comply with the terms therein for the sum of:

_____ as shown in the BID PROPOSAL-SCHEDULE OF ITEMS AND PRICES.

5. The term "CONTRACT DOCUMENTS" means and includes the following:

- 5.01 INSTRUCTIONS TO BIDDERS
- 5.02 BID
- 5.03 BID BOND
- 5.04 BID PROPOSAL - SCHEDULE OF ITEMS AND PRICES
- 5.05 LISTING OF SUBCONTRACTORS
- 5.06 NOTICE OF AWARD & ACCEPTANCE BY CONTRACTOR
- 5.07 AGREEMENT
- 5.08 PAYMENT BOND
- 5.09 PERFORMANCE BOND
- 5.10 NOTICE TO PROCEED & ACCEPTANCE BY CONTRACTOR
- 5.11 STANDARD FORMS
- 5.12 GENERAL CONDITIONS
- 5.13 CONSTRUCTION DRAWINGS dated: _____
- 5.14 SUPPLEMENTAL SPECIFICATIONS dated: _____
- 5.15 ISPMC SPECIFICATIONS
- 5.16 CITY OF KETCHUM STANDARDS

6. *Retainage.* The OWNER will pay to the CONTRACTOR in the manner and at such times as set forth in the General Conditions such amounts as required by the CONTRACT DOCUMENTS. Five-percent (5%) retainage will be held from each payment. Retainage will be released up Certification of Substantial Completion.

7. *Liquidated Damages.* OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the WORK is not completed within the times specified in paragraph 3 above, plus any extensions thereof allowed in accordance with **Article 12 of the General Conditions**. They also recognize the delays, expense and difficulties involved in proving the actual loss suffered by OWNER if the WORK is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER **One Hundred dollars (\$100.00)** for each day that expires after the time specified in paragraph 3 for Substantial Completion until the WORK is substantially complete. After Substantial Completion, if CONTRACTOR shall neglect, refuse or fail to complete the remaining WORK within the time specified in paragraph 3 for completion and readiness for final payment or any proper extension thereof granted by OWNER, CONTRACTOR shall pay OWNER **Fifty dollars (\$50.00)** for each day that expires after the time specified in paragraph 3 for completion and readiness for final payment.

8. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in (3) each of which shall be deemed an original on the date first above written.

OWNER:

CITY OF KETCHUM, IDAHO

BY: _____

Title: _____

(SEAL)

ATTEST:

Name _____
(Type or Print)

Title: _____

CONTRACTOR:

BY: _____

Title: _____

Address: _____

(SEAL)

ATTEST:

Name: _____
(Type or Print)

Title: _____