
TO: David Schelkoph, General Manager - Marshall Municipal Utilities
Jeff Larson, Water Operations Manager - Marshall Municipal Utilities

FROM: Jason R. Anderson, P.E., Director of Public Works/City Engineer

DATE: February 22, 2023

SUBJECT: Project MMU-001: T.H. 23 Watermain Crossing Project - Recommendation to Award Bid

Background

This project consists of, but is not limited to:

- Installation of a 24" casing pipe (jack and bore or directional drilled) with a 16" watermain crossing T.H. 23 approximately 225' east of the intersection of T.H. 23 & Travis Road, Mile Marker 72.
- Watermain crossing, install a 16" casing pipe (jack and bore or directional drilled) with an 8" watermain crossing T.H. 23 approximately 300' east of the intersection of T.H. 23 & Saratoga Street, Mile Marker 73.

On February 22, 2023, bids were received for the above-referenced project. Six bids were received as shown on the attached Bid Tabulation.

At the time of Water Project Authorization Phase 2, the project estimate was \$578,700. MMU has a budget of \$650,000 for this project, which includes the 16% engineering fees that are typically paid to the City for construction project design and administration.

The bids received ranged from \$579,625.00 to \$896,920.00. The bids received were very competitive and we were very pleased with the number of bids submitted for this work, and how close all of the bids were relative to each other. When numerous bids are within a few percentage points of each other in total cost, we believe it gives the City and MMU confidence that our contractors are understanding the intention of the project.

The low bid was received from TE Underground LLC of Tyler, Minnesota, in the amount of \$579,625.00. The City has worked with TE Underground in the past and City staff believes that the contractor is a competent and responsible contractor for this work.

Upon award of the contract and notification to this office, the City will proceed with the Notice of Award to the contractor in accordance with our typical project procedures.

Additionally, staff would propose to work with the awarded contractor to consider the approval of a different pipe installation method and casing pipe material than what was identified in our project plans and MnDOT permit. This contractor has indicated their interest in completing this project utilizing the directional drilling method of pipe installation to install a PVC casing pipe under MN 23, in lieu of the jack and bore method to install a steel casing

pipe. Moving to a directional drilling installation of a PVC casing pipe will result in a cost savings to MMU. Due consideration will be given to project contractibility utilizing the directional drilling method and the impacts of the change on the neighboring properties, as well as obtaining MnDOT approval for a change in our MnDOT permit. Either way, City and MMU staff believe firmly that this project can be successful with both casing pipe materials and installation methods.

Fiscal Impact

The estimated total project cost including 5% allowance for contingencies and 16% for engineering and administrative costs is \$705,983.25. City and MMU staff will work to identify cost savings on the project by utilizing a PVC casing pipe under MN 23 and the directional drilling method of casing pipe installation if it is feasible for the contractor, given the constraints of the work zone.

Alternatives/Variations

No alternative actions recommended.

Action Recommendation

City staff hereby recommend Marshall Municipal Utilities (MMU) enter into an agreement with TE Underground LLC of Tyler, Minnesota, in the amount of \$579,625.00 for Project MMU-001: T.H. 23 Watermain Crossing Project.

JRA:lrk / Attachments

BID TABULATION

PROJECT MMU-001: T.H. 23 WATER MAIN CROSSINGS PROJECT MARSHALL, MINNESOTA

BID OPENING INFORMATION: February 22, 2023 / 3:00 PM (Local Time)

Page 1 of 1

ANTICIPATED MMU BOARD OF COMMISSIONERS AWARD: February 28, 2023

NAME OF BIDDER	BID AMOUNT	COMMENTS
A&C Excavating, LLC Marshall, MN		
D&G Excavating, Inc. Marshall, MN	\$595,889.00	
Duininck, Inc. Prinsburg, MN	\$728,275.00	
J.R. Ferche, Inc. Rice, MN	\$896,920.00	
Minger Construction Co. Inc. Jordan, MN	\$664,992.46	
R&G Construction Co. Marshall, MN	\$654,388.50	
Reiner Contracting Inc. Hutchinson, MN		
Rogge Excavating, Inc. Ghent, MN		
TE Underground LLC Tyler, MN	\$579,625.00	Apparent Low Bidder

City of Marshall & Marshall Municipal Utilities Water Project Authorization/Request Form

In accordance with the Professional Engineering Service Agreement between the City of Marshall (City) and Marshall Municipal Utilities (MMU), it is envisioned that water projects will be initiated for various reasons. The Project Authorization form is intended to serve as a document for the parties which will, to the extent possible, indicate the project scope authorized hereunder.

Project Title: Project MMU-001: T.H. 23 Watermain Crossing Project

Project Description: Watermain Crossing, Install a 24" Casing pipe (Jack and Bore or Directional Drilled) with a 16" Watermain Crossing T.H.23 approximately 225' East of the intersection of T.H. 23 & Travis Road mile marker 72. Watermain Crossing, Install a 12" Casing pipe (Jack and Bore or Directional Drilled) with a 8" Watermain Crossing T.H.23 approximately 300' East of the intersection of T.H. 23 & Saratoga Street mile marker 73.

Phase 1: Preliminary Planning and Conceptual Design

Authorization for Water Distribution Engineering:

For MMU:

	WATER OPER. MGR	1/19/23
Name	Title	Date

If a joint project with MMU is anticipated for water distribution, then City authorization to proceed with preliminary planning and conceptual design activities for non-water distribution joint work is requested. Authorization to proceed with preliminary planning and conceptual design for the non-water distribution joint work:

For the City: **Jason R. Anderson, P.E.** Digitally signed by Jason R. Anderson, P.E.
Date: 2023.01.11 10:36:46 -06'00'

Name	Title	Date

Estimate Date: 12/29/2022 / Project Estimate: \$578,700 / Watermain Estimate: \$578,700

Is the project part of a larger joint project? Yes or (No) (circle one). If yes, who is (are) the other project participant(s)? _____

What is the non-water distribution portion of the joint project? N/A

Sanitary Sewer	\$ 0
Storm Sewer	\$ 0
Street, C&G, Streetscaping	\$ 0
Non-Water Distribution	\$ 0

Phase 2: Design Services

If the project moves into the design phase, both parties stipulate they will continue to proceed as envisioned in the Professional Engineering Agreement and as outlined. Following design, the City Engineer will provide a final *estimate* showing the cost breakdown and item of work by each utility prior to bidding the work. Final *estimate* will be attached to this form by the City Engineer for consideration by MMU.


Following the bidding and award of contract, a *final cost breakdown* will be prepared by the City Engineer which shall be agreed upon by both parties and amended, if necessary, following project completion.

By my signature, I attest that all public processes required by the City have been accomplished and that authorization has been granted by the City Council or Utility Commission to complete the final design and seek bids for this public improvement.

For the City: **Jason R. Anderson, P.E.** Digitally signed by Jason R. Anderson, P.E.
Date: 2023.01.11 10:38:12 -06'00'

Name Title Date

For MMU:

 _____
Name Title Date
WATER OPER MGR. 1/19/23

Phase 3: Construction Services:

If the project moves from design to construction, both parties stipulate they will continue to proceed as envisioned in the Professional Engineering Agreement and as outlined. Both parties stipulate that funding for their respective items of work under the joint project have been approved and will be available for their portion of joint work in a timely manner. Abstract of bids and cost breakdown for the project shall be attached to this document, when available.

My signature attests that all public processes required by the City have been accomplished and that authorization has been granted by the City Council or Utility Commission to construct the public improvement.

For the City:

Name Title Date

For MMU:

Name Title Date