



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Jason Anderson
Meeting Date:	Tuesday, May 9, 2023
Category:	AWARD OF BIDS
Type:	ACTION
Subject:	Project WW-005: Highway 23 Lift Station Improvements Project – Consider Rejection of Bids
Background Information:	<p>The general scope of the project included the following major components:</p> <ul style="list-style-type: none"> • Removal of four submersible pumps, wet well piping and guide rails. • Renovation of wet well structure with concrete repair as needed, and new coating system. • Installation of four new submersible pumps. • Installation of new piping in wet well structure. • Installation of new VFDs in the existing motor control center. • Installation of new automatic transfer switch (furnished by City) in existing lift station building. • Installation of new conduit and junction box. • Bypass pumping of the lift station while renovation work is being completed. <p>Bids were received on April 19, 2023. One bid was received from KHC Construction, Inc. of Marshall, Minnesota in the amount of \$996,000.00. The project budget estimate was \$580,000. The bid received was responsive based on the Contract Documents issued for the bid. The bid is significantly above the project budget for this work.</p> <p>Please see attached Bid Evaluation memorandum from Bolton & Menk, Inc. dated May 3, 2023.</p> <p>This item was presented to the Public Improvement/Transportation at their meeting on April 25, 2023. All voted in favor of the recommendation to City Council to reject the bid received and for City staff to proceed with phasing the project to meet our capital budget. This may include completion of Phases 1 & 2, as identified in Bolton & Menk’s memo, in 2023.</p>
Fiscal Impact:	The bid received exceeds the project cost estimate of \$580,000. No direct fiscal impact if bids are rejected.
Alternative/Variations:	No alternative actions recommended.
Recommendations:	that the Council reject the bid received from KHC Construction, Inc. of Marshall, Minnesota, in the amount of \$996,000.