

March 3, 2021

Mayor & City Council

City of Oelwein
20 Second Ave SW
Oelwein, IA 50662

**Oelwein 2021 Water Main Improvements
Recommendation of Award**

FOX Ref No: 3406-18A.440

Dear Mayor and City Council:

The City of Oelwein received bids on March 2, 2021 for the Oelwein 2021 Water Main Improvements. This project includes 5,200-ft of 8-inch water main installation under existing sealcoat streets in residential neighborhoods. Work includes trenchless construction to reconnect 84 1-inch water services to residential properties, HMA patches, PCC curb and gutter replacement, traffic control, storm sewer replacement, sanitary sewer replacement, and seeding. Oelwein has received a Community Development Block Grant in the amount of \$600,000 for this project. Upper Explorerland, Diana Johnson, is administrating the grant funds. The City will utilize State Resolving Funds (SRF) to fund their portion of the project.

The City received five (5) bids on the project. The Engineer's opinion of probable construction cost was \$1,145,000. The bids ranged from a high bid of \$1,677,759.50 to a low bid of \$1,057,488.83. A Bid Tabulation Summary is enclosed for your reference. The following is a summary of the bids:

- Summers Enterprise \$1,057,488.83
- Top Grade Excavating \$1,071,652.00
- Pirc-Tobin Construction, Inc \$1,211,628.00
- JB Holland Construction, Inc \$1,396,559.75
- Tschiggfrie Excavating \$1,677,759.50

Summers Enterprise Inc. of Masonville, Iowa submitted the low base bid of **\$1,057,488.83**. The low base bid is \$87,511.17 below the Engineer's opinion (7.6% below). FOX contacted Summers to discuss their bid, schedule, subcontractors, and workload. They have found no errors with their bid and are excited to start construction right away in the spring. Currently they are finishing a utility project in Charles City. Their schedule is open to complete this work and anticipate approximately three months working time. The project needs to be substantially completed by October 17, 2021.

Summers plans to complete the project primary by trenchless construction (directional drilling) versus open cut trench reducing overall pavement replacement quantities and reducing the project schedule. Summers plans to utilize Kluesner Construction for the asphalt work.

Summers Enterprise has performed several projects for Oelwein. Previous water main projects include the Two Pressure Zones Water Main and the Charles Street Water Main (viaduct) project. Additionally, Summers was the trenchless water main sub-contractor for the Oelwein Industrial Park 3rd Addition (14th St SE extension). These projects were all constructed well and according to the plans and specifications. Summers has also completed the 1st Avenue Lift Station Improvements and the 20th Street Lift Station Improvements. Their workmanship has generally been acceptable, especially water and sewer main work. However, timeliness and project closeout have sometimes been an issue. The most recent project, the 20th Street Lift Station Improvements, was operational within a reasonable time, but project closeout took an extended time. The City of Oelwein assessed liquidated damages on that project.

In our experience, this project represents the type of construction that Summers specializes in. Summers has the ability to construct a well-built project per the plans and specifications. We anticipate that all parties' previous experiences, along with close management of the construction, will allow this project to be executed in a timely fashion. Additional on-site project representative time by FOX may be required as discussed with City Staff.

FOX has successfully worked with Summers on projects in other cities. Summers recently completed a trenchless sanitary sewer project under the Iowa River for the City of Iowa Falls. Additionally, Summer's has worked for several communities in northeastern Iowa performing similar construction projects.

Based on these investigations, we believe Summers Enterprise, Inc. has a practical knowledge of the work, adequate equipment and personnel, sufficient schedule, and financial resources to complete the work. Therefore, FOX recommends that the 2021 Oelwein Water Main Improvements be awarded to Summers Enterprise Inc. for their bid of **\$1,057,488.83**. We believe this represents the lowest responsive, responsible bid for the project and is in the best interests of the project.

Prior to the City of Oelwein approving the contract, the City's insurance counsel should review the contractor's insurance certificates and performance and maintenance bonds for conformance with the City of Oelwein requirements.

According to bidding documents, the Council has the following options:

Option 1: Award the project to Summers Enterprise, Inc. for **\$1,057,488.83**

Option 2: Reject all bids

We have enclosed the Notice of Award for your use. If approved, please sign and return to FOX Engineering. FOX will then deliver the contract documents to Summers for their execution. Please contact us with any questions or comments regarding this recommendation.

Sincerely,
FOX Engineering Associates, Inc.



John Gade, P.E.
Project Manager, Principal

*Enclosures: Bid Tab
Notice of Award*

CC: Summers Enterprise, Inc

NOTICE OF AWARD

Date of Issuance: March 3, 2021
Owner: City of Oelwein Owner’s Project No.:
Engineer: FOX Engineering Associates, Inc. Engineer’s Project No.: 3406-18A
Project: Oelwein 2021 Water Main Improvements
Contract Name: Oelwein 2021 Water Main Improvements
Bidder: Summers’ Enterprise, Inc.
Bidder’s Address: 1776 Buchanan Delaware Ave, Masonville, IA 50654

You are notified that Owner has accepted your Bid dated **March 2, 2021** for the above Contract, and that you are the Successful Bidder and are awarded a Contract for:

Oelwein 2021 Water Main Improvements

The Contract Price of the awarded Contract is **\$1,057,488.83** Contract Price is subject to adjustment based on the provisions of the Contract, including but not limited to those governing changes, Unit Price Work, and Work performed on a cost-plus-fee basis, as applicable.

[3] unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award or has been transmitted or made available to Bidder electronically.

Drawings will be delivered separately from the other Contract Documents.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

- 1. Deliver to Owner **[3]** counterparts of the Agreement, signed by Bidder (as Contractor).
- 2. Deliver with the signed Agreement(s) the Contract security (such as required performance and payment bonds) and insurance documentation, as specified in the Instructions to Bidders and in the General Conditions, Articles 2 and 6.

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

Owner: City of Oelwein

By (signature): _____

Name (printed): _____

Title: _____

Copy: Engineer