

---

---

AWARD RECOMMENDATION

---

---

**TO:** STEVE GIESBRECHT, BOROUGH MANAGER  
**FROM:** KARL HAGERMAN, UTILITY DIRECTOR *KH*  
**SUBJECT:** IRA II STREET SEWER – AWARD RECOMMENDATION  
**DATE:** 5/28/2021  
**CC:** DEBBIE THOMPSON, BOROUGH CLERK  
PROJECT FILE

The Wastewater department publicly solicited bids for the Ira II Street Sewer Replacement project from May 5– 28, 2021. The project is for the replacement, regrading and relocating of the Ira II Street sewer main and installation of new manholes. The current main is not properly graded and pipe joints are failing in many areas. Additionally, the recent construction of a duplex near 8<sup>th</sup> and Ira II will increase the use of the main and lead to more frequent problems for the entire neighborhood if not corrected.

Two bids were received for the work, both from local companies. Below is the bid summary, including the Engineer's estimate provided by Harai and Associates.

<u>Bidder</u>	<u>Bid amount</u>
Rock N Road	\$297,180.00
Reid Brothers	\$359,230.00
Engineer's Estimate	\$271,650.00

The apparent low bidder is Rock N Road Construction and after review of all bid documentation, the wastewater department and Engineer found that all paperwork is in order and affirm that Rock N Road Construction is the lowest, responsive, and responsible bidder.

At this time, the capital project fund balance does support the award of this contract. However, due to a dramatic rise in material costs over the last 12 months, the project fund balance will not support construction phase engineering/inspection costs or any project contingency. As a result, within the June 7, 2021 Assembly packet there is contained a request to increase the capital project budget for the Ira II Sewer project in the amount of \$46,000, for a total project budget of \$361,000. This additional transfer from Wastewater fund reserves will cover inspection and contingency needs of the project.

Contingent upon amendment and passage of Ordinance #2021-09 (FY22 budget ordinance) in its third and final reading, **I recommend that the Assembly award the Ira II Street Sewer Replacement project to Rock N Road Construction of Petersburg for an amount not to exceed \$297,180.00.**

Thank you for your consideration.