



CITY COUNCIL ACTION FORM

Department Public Works	Presented by David Lady - Public Works Director	Date June 1, 2021
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ITEM

Consent Agenda

Council Action: Approve Low Zone Water Line Replacement Project

BACKGROUND

The City of Salida has planned and budgeted for improvements at the Pasqualle Water Treatment Plant Site as well as transmission main piping titled the Low Zone Water Line Replacement Project. Design, environmental, regulatory clearances, and other due diligence has been underway for these projects.

The Low Zone Water Line Replacement Project involves the replacement of approximately 4000 linear feet of large diameter aging piping infrastructure that conveys drinking water from the Gallery treatment site to the municipal services area. Pasqualle is anticipated to be bid out late summer as a separate project contingent upon receiving State approvals.

Bids were received for the Low Zone Water Line Replacement Project on May 18, 2021 as follows:

Bidder	Total	Business Location / Local Preference	Percent Above Low Bid
Avalanche Excavation, Inc.	\$2,487,944.75	Salida – 5.0%	62%
RMS Utilities, Inc.	\$1,532,893.00	Alamosa (Out of County) – 0%	Low Bid
Native Sun Construction	\$1,999,457.56	Colorado Springs (Out of County) – 0%	30%
WHC Energy Services, LLC	\$1,981,177.57	Berthoud (Out of County) – 0%	29%
Crossfire, LLC	\$2,229,033.65	Durango (Out of County) – 0.0%	45%

The City purchasing policy identifies local preference for the award of bidders as follows:

Local Vendor Preference – Bids by vendors with their primary operations located within the City of Salida will receive preference within a 5% price difference. Bids by vendors with their primary operations located within Chaffee County will receive preference within 3% price difference.

In accordance with the above noted policy, RMS Utilities, Inc is the recommended contractor. Additionally, RMS is currently under construction on the City of Salida 2021 Sanitary Sewer Replacement Project. RMS references have been contacted and they appear qualified to perform the scope of this project.



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Total Budget Calculation (Low Bidder)

	Bid Costs (1)	Soft Costs (2)	Project Total Budget (1+2)
TOTAL	\$1,532,893.00	\$229,933.00	\$1,762,826.00

(2) Soft costs ~ 10%,(Construction Management, Field Services, and QA/QC) and +/- 5% Minor Contract Revisions

FISCAL NOTE

2021 Capital Budget line items are as follows:

- \$45,000 Water – General Engineering (20-30-5233-0)
- \$1,900,000 Water - New Waterlines and Other Infrastructure (20-30-6018-3)

This project is being financed through a low interest Direct Loan and D&E Principal Forgiveness Loan through the Colorado Water Resources and Power Development Authority (CWRPDA). These loans are scheduled to close mid-June and have already received necessary approvals from the State and City.

STAFF RECOMMENDATION

Award a construction contract for the Low Zone Water Line Replacement Project (conditioned on CWRPDA loan closing) and authorizing the City Administrator to enter into a Construction Agreement between the City and RMS Utilities, Inc. in the amount of \$1,532,893.00 with a total project budget of \$1,762,826.00.

SUGGESTED MOTION

A Council person should make a motion to “combine and approve the items on the consent agenda.”

Followed by a second and then a voice vote.