



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Public Works	David Lady - Public Works Director	March 1, 2022

ITEM

Council Action – Award 2022 Sewer Reconstruction Project

Consent Agenda

BACKGROUND

The City of Salida owns and maintains the wastewater collection system within the service areas of Salida and Poncha Springs. The City has a maintenance program that includes scheduled line cleaning and inspection of mains. Capital improvement programs including line rehabilitation and replacement are necessary to address system deficiencies, ensure reliable service, and replace infrastructure that is nearing the end of its useful life. The useful life of a sewer main can depend on multiple factors such as structural issues/breaks, offset joints, and gaps in joints which can introduce water infiltration and roots.

Much of Salida's collection system consists of clay pipe, whereas, newer piping consists of plastic PVC material. The standard minimum size for new construction is 8-inch diameter pipe. 8-inch diameter pipe can be rehabilitated at a later date by utilizing a liner product that does not require the main to be dug up. The proposed project generally consists of removal and replacement of 6-inch mains at various locations as shown on the attached exhibit.

The project was advertised and bids were received on February 22, 2022 as follows:

Bidder	Total	Business Location / Local Preference	Percent Above Low Bid
Y&K Excavation, Inc.	\$660,127.00	Salida – 5%	Low Bid
RMS Utilities, Inc.	\$873,702.02	(Out of County) – 0%	32%
Pridemore Construction, Inc.	\$941,217.00	(In County) – 3%	42.5%
K.R. Swerdfeger Construction, Inc.	\$1,127,799.00	(Out of County) – 0%	70.1%

*The total reflects the summation of the individual unit price line items for construction.

Y&K Excavation, Inc. has previously worked for the City of Salida and performed the work satisfactory.

FISCAL NOTE

The 2022 budget for sewer reconstruction is as follows:

\$450,000 (21-30-6024-3) Infrastructure Improvements



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Public Works	David Lady - Public Works Director	March 1, 2022

CONSTRUCTION CONTRACT	\$ 660,127.00
CONTINGENCY (10%)	\$ 66,012.00
CONSTRUCTION MANAGEMENT	\$ In-House
QA MATERIALS TESTING (~2%)	\$ 13,000.00
<u>TOTAL PROJECT BUDGET</u>	<u>\$ 739,139.00</u>

The project exceeds the itemized 2022 budget. Costs for piping materials have increased significantly over the past year and an additional segment of sewer replacement was included since the time that the budget was prepared. These items have led to the overages. The scope of work could be reduced, however, this type of work has limited to no opportunity for value engineering or other components that would offer cost savings. There were multiple competitive bids submitted which is helpful for validating the low bid results. A budget amendment is likely towards the end of the year but will be dependent on other capital project costs. Currently the reserves are adequate to support an amendment.

STAFF RECOMMENDATION

Award a construction contract for the 2022 Sewer Reconstruction Project and authorizing the City Administrator to enter into a Construction Agreement between the City and Y&K Excavation, Inc. in the amount of \$660,127.00 with a total project budget of \$739,139.00.

SUGGESTED MOTION

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

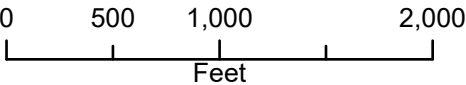
Legend

Local Roads

2022 Sewerline Replacement



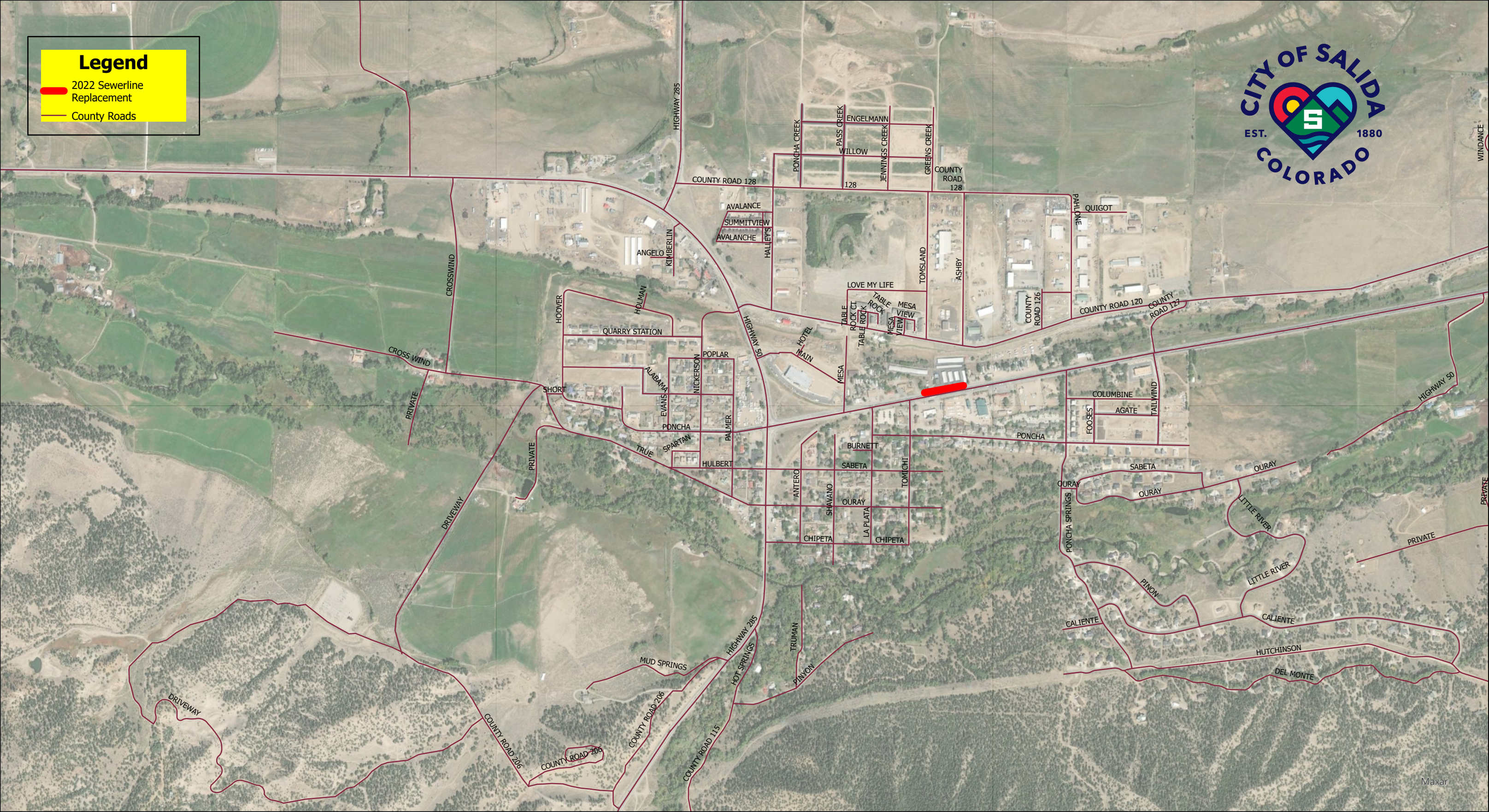
2022 Salida
Sewer Reconstruction



Legend

2022 Sewerline Replacement

County Roads



2022 Poncha Springs
Sewer Reconstruction

