



Council Agenda Item

Meeting Date:	January 16, 2024
Agenda Item:	Water Utility Storage Garage
Staff Contact (name, email, phone):	Brad Marquardt, bmarguardt@whitewater-wi.gov , 262-473-0139

BACKGROUND

(Enter the who, what when, where, why)

The City advertised and opened bids for the Water Utility Vehicle Storage Garage on August 21, 2023. Two bids were received, RR Walton & Company, LTD at \$824,500 and Gilbank Construction Inc at \$948,700. The bid was a lump sum bid, but it provided for cash allowances for certain items where quantities could fluctuate. The cash allowances were to be added into the lump sum bid. At the preconstruction meeting for the project, Russ Walton of RR Walton & Company indicated he did not include the cash allowances in the lump sum price. He is now asking for consideration that they be included and added to the lump sum.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

The Common Council approved awarding the Water Utility Vehicle Storage Garage Contract to RR Walton & Company, LTD at the September 5, 2023 Council meeting.

FINANCIAL IMPACT

(If none, state N/A)

Five items were included for cash allowances totaling \$32,001.20

Item Number	Description	Estimated Quantity Included in the Lump Sum Base Bid	Unit	Bid Unit Price	Total Bid Price Included in the Lump Sum Base Bid
1.	New Service for Electric Utility Section 26 21 00–Electrical Service System	1	LS	\$5,000	\$5,000
2.	Unsuitable Foundation Material for Structures and Roads Section 31 23 00–Excavation, Fill, Backfill, and Grading	430	CY	\$ 40.00	\$ 17,200.00
3.	Unsuitable Foundation Material for Utility Trenches Section 31 23 00– Excavation, Fill, Backfill, and Grading	50	CY	\$ 40.00	\$ 2,000.00
4.	Geotextile Below Pavement Subgrade Stabilization for Unsuitable Material for Roads Section 31 32 19–Geotextiles	940	SY	\$ 2.98	\$ 2,801.20
5.	New Service for Gas Utility Section 33 52 16–Fuel Gas Distribution Utilities	1	LS	\$5,000	\$5,000

STAFF RECOMMENDATION

Though the contract is very clear, staff believes it was an honest mistake from RR Walton & Company. Adding \$32,001.20 to their lump sum bid would still put RR Walton & Company as the low bid. Staff would recommend approval of including the cash allowances for payment.

Staff would like to point out that these cash allowances are only paid if the item is used. For instance, the gas service was installed and billed directly to the City, therefore, the \$5,000 cash allowance attributed to this item will not be paid to RR Walton & Company.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Contract Information for Allowances
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