



# CITY COUNCIL AGENDA ITEM BRIEFING SHEET

<b>Council Date:</b> June 13, 2023	<b>Department:</b> Admin	<b>Presented By:</b> City Manager
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**AGENDA ITEM: Discuss and take action to reject all bids related to the Wastewater Treatment Plant**

**BACKGROUND:**

On May 24<sup>th</sup>, the City accepted bids for the construction of the wastewater treatment plant, funded through the Texas Water Development Board. Staff, along with Derek Turner, reviewed the bids for the project at that time. There were three bids received and accepted for five bid schedules. The low bid for base bid schedules A through E was submitted by MH Civil Constructors, Inc. in the amount of \$14,881,000, however, they withdrew their bid shortly after opening citing material errors.

The second bidder was Gracon Construction, Inc. with a bid of \$20,560,775. Derek spoke with the second bidder and, while he is willing to negotiate to lower the total cost, it does not appear he will be willing to reduce his bid significantly.

As it does not appear that negotiating will result in a significantly lower cost, Derek and staff recommend rejecting all bids, reworking the project, and rebidding. There are a number of changes that could be made to reduce cost if the Council finds them acceptable.

Attached are the bid tab sheets, the letter from MH Civil Constructors withdrawing their bid, and Derek's letter to staff with his recommendation to reject all bids. Again, staff supports rejecting all bids related to this project.

**Suggested Motion: I move to reject all bids related to the construction of the wastewater treatment plant and authorize staff to rebid the project as discussed.**

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**STAFF/BOARD/COMMISSION RECOMMENDATION:**

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**EXHIBITS:**

<b>ADDITIONAL INFO:</b>	<b>FINANCIAL INFO:</b>	
	<b>Cost</b>	\$
	<b>Source of Funding</b>	\$