

REVISED

FOR BOARD ACTION

Agenda Item # 4.a.

Meeting Date:

5/28/13

SUBJECT: Consideration of Bids – 3.3 Million Gallon Reservoir Project – Phase 2 (Reservoir)

PREPARED BY: Doug Rovang, Sr. Civil Engineer
Bob Ledebuhr, C.P.M., Materials Manager

ITEM DESCRIPTION:

Background - Phase 1 (Watermain Portion of Project)

RPU has entered into a contract with Jech Excavating for the Phase 1 Watermain improvements in the amount of \$304,372.90. Work on this portion of the Replacement Reservoir project began last Monday.

Consideration of Bids - Phase 2 (Reservoir Portion of Project)

Bids for construction of the Phase 2 Reservoir were received on May 14 from two companies:

DNTank, Inc.

Preload, Inc.

The attached bid tabulation summarizes the various project options included in the bid-taking, and shows DNTank to be the lowest, responsible bidder for all of the project options.

The bid tabulation also documents the impact of project starting date on project cost. The low bidder will provide a \$647,800 deduct for a 7/15/2013 start date instead of an 8/5/2013 start date. (Staff determined early August was historically when summer peak water demand typically began to drop off.)

Staff will go through the various options bid, and will explain why it recommends accepting the low bid from DNTank for a 7/15/2013 project start date and Alternate Bid Items 1, 2, 3 and 4.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

The proposed reservoir construction is Phase 2 of the two-part replacement reservoir project budgeted for 2013 and 2014. The contract cost of Phases 1 and 2 of the Project is \$3,357,972.90. Demolition of the 4th St SE Reservoir and project tree replacement and landscaping are estimated to cost an additional \$100,000. (\$2.1 million from Water Utility reserve funds and \$1.5 million from Water Availability Charge [WAC] funds have been reserved for the Replacement Reservoir project.)

UTILITY BOARD ACTION REQUIRED:

Staff recommends that the Board approve a contract agreement with terms as described above in the amount of \$3,053,550.00 with DNTank, Inc. for Phase 2 of the 3.3 million gallon reservoir replacement project, and that the Mayor and City Clerk execute the agreement.

Management further recommends that the Board authorize staff to manage project change orders using the existing approval structure and authorization levels.


Acting General Manager

5-28-13
Date



Rochester Public Utilities

BID TABULATION

PROJECT: 3.3 Million Gallon Reservoir Project – Phase 2 Reservoir
Project #: 7006021
OWNER: Doug R
OPENING DATE: 2:00 PM CDT, May 14, 2013
ARCHITECT: TKDA

**Bid Bond
 Addendum(s)
 Bid Signed**

DN Tanks
 Yes
 1 through 2
 Yes

Preload Inc.
 Yes
 1 through 2
 Yes

Engineer's Estimate

Base Bid

Item 1	Complete Design & Construction of Reservoir with Existing Reservoir Removal August 5, 2013	\$ 3,615,900.00	\$ 6,423,000.00	\$ 2,860,000.00
Item 1A - Alternate	Deduct from Base Bid if Existing Reservoir is removed July 15, 2013	\$ (647,800.00)	\$ (1,080,000.00)	\$ (90,000.00)

Alternate Bid Items

Item 1	Additional removal of sub-grade to reach Elev 1105' & Engineering fill to Elev 1105' - Unit price per cubic Yard	\$ 28.00	\$ 40.00	\$ 35.00
	Extended price for 300 cubic yards	\$ 8,400.00	\$ 12,000.00	\$ 10,500.00
Item 2	Exterior			
	Add lump sum price	\$ 72,100.00	\$ 56,200.00	\$ 100,000.00
	Deduct lump sum price			
	Price per square foot of the brick only (for reference)	\$ 40.00	\$ 30.00	N/A
Item 3	Silt fence repair, if necessary:			
	Unit price per linear foot	\$ 3.00	\$ 10.00	\$ 2.67
	Extended price for estimated 150 linear feet	\$ 450.00	\$ 1,500.00	\$ 400.00
Item 4	Removal of contaminated soil:			
	Unit price per cubic yard	\$ 90.00	\$ 220.00	\$ 40.00
	Extended price for estimated 50 cubic yards	\$ 4,500.00	\$ 11,000.00	\$ 2,000.00
Item 5	Furnish Pre-Cast vault:			
	Add lump sum price	\$ 4,500.00	\$ 9,000.00	
	Deduct lump sum price			\$ (5,000.00)
	3/5 PROJECT START DATE:			
	NO alternates	\$ 3,615,900.00	\$ 6,423,000.00	\$ 2,860,000.00
	Alternates 1 - 4	\$ 3,701,350.00	\$ 6,503,700.00	\$ 2,972,900.00
	ALL alternates	\$ 3,705,850.00	\$ 6,512,700.00	\$ 2,967,900.00
	7/15 PROJECT START DATE:			
	NO alternates	\$ 2,968,100.00	\$ 5,343,000.00	\$ 2,770,000.00
	Alternates 1 - 4	\$ 3,053,550.00	\$ 5,423,700.00	\$ 2,882,900.00
	ALL alternates	\$ 3,058,050.00	\$ 5,432,700.00	\$ 2,877,900.00



Rochester Public Utilities
4000 East River Road NE
Rochester, MN 55906-2813
(507) 280-1540

RPU # 13-31-W

**AGREEMENT FOR 3.3 MILLION GALLON RESERVOIR PROJECT –
PHASE 2 RESERVOIR:**

THIS AGREEMENT made this _____ day of _____, 2013, by and between the City of Rochester, Minnesota, a Minnesota municipal corporation, acting through its Public Utility Board, hereinafter called "City", and DN Tanks, Inc., a _____ corporation, hereinafter called "Contractor".

WHEREAS, the City has solicited a bid from the Contractor for the reservoir project described in the specifications and contract documents.

WHEREAS, the City desires to engage the services of the Contractor according to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above premises and of the terms and conditions contained herein, the parties hereto agree as follows.

Article I. Scope of Services. The complete design and construction of a 3,300,000 gallon precast, pre-stressed concrete reservoir including all general work, site work, approximately 152 linear feet of silt fence as shown on Drawing D1, excavation, grading, cast-in-place concrete vault, piping, EIFS architectural treatments, demolition of the existing 1,500,000 gallon reservoir, removal of all sub-grade material under the existing reservoir, placement of engineering fill as shown on the drawings from a bedrock elevation of 1105 feet to the floor slab elevation. Construction to include Alternate Bid Items 1, 2, 3, and 4, and construction will begin on July 15, 2013.

Reservoir construction shall be as described in the Project Specifications, Drawings and Contract Documents.

Article II. Payment. The City agrees to pay the Contractor the approximate sum of \$3,053,550.00 for the Services described herein, subject to unit prices on quantity of materials on Alternate Bid Items 1, 3, and 4, and subject to the terms and conditions of payment described in the Contract Documents.

Article III. Term. The term of this agreement shall commence on the date of this Agreement and shall continue until completion and acceptance of the work by the City.



Rochester Public Utilities
4000 East River Road NE
Rochester, MN 55906-2813
(507) 280-1540

RPU # 13-31-W

CITY

City of Rochester, a Minnesota municipal corporation

By: _____

Ardell Brede, Mayor

[MUNICIPAL SEAL]

Attest _____

Judy Scherr, City Clerk

Approved as to Form: _____

Terry Adkins, City Attorney

By: _____

Larry Koshire, RPU General Manager

Address: City of Rochester
c/o Rochester Public Utilities
4000 East River Road NE
Rochester, MN 55906-2813

Phone: (507) 280-1500

Federal Tax ID No.: 41-6005494

STATE OF _____) COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2013 by

_____, _____, _____,
and _____, the Mayor, City Clerk, and City Attorney and Rochester Public
Utilities General Manager, respectively, of the City of Rochester, a Minnesota municipal corporation, on
behalf of the corporation.

[Seal]

Notary Public
My commission expires _____



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with DNTank, Inc, and to request the Mayor and the City Clerk to execute the agreement for the

3.3 Million Gallon Reservoir Project - Phase 2 (Reservoir)
to include
7/15/2013 Construction Start and Alternate Bid Items 1, 2, 3 and 4

The amount of the unit price contract agreement to be THREE-MILLION-FIFTY-THREE-THOUSAND FIVE HUNDRED FIFTY AND NO/100 DOLLARS (\$3,053,550.00) and DNTANK, INC. being lowest responsible bidder.

BE IT FURTHER RESOLVED by the Public Utility Board to approve staff to manage project change orders using the existing approval structure and authorization levels.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28th day of May, 2013.

President

Secretary