
DATE: 01/31/2022 **SUBMITTED BY:** Tom Ourada, City Administrator

ITEM: Consider awarding the contracts for the 22nd Street Culvert and Lift Station Projects to General Excavating of Lincoln, Nebraska.

SUMMARY: The City received three bids for the construction of the 22nd Street Lift Station Project. The engineer's estimate for the cost of construction was \$365,000. General Excavating of Lincoln, Nebraska submitted the lowest bid at \$441,365.80. Van Kirk Bros. of Sutton, Nebraska bid \$479,374, and K2 Construction of Lincoln bid \$689,250.

Speece Lewis Engineers also received three bids for the construction of the 22nd Street Culvert Project. General Excavating was again the lowest bid at \$842,112.80, with Van Kirk at \$891,977 and K2 Construction at \$1,033,060.70.

The City Engineer believes the projects were competitively bid and recommends the contracts be awarded to General Excavating of Lincoln, Nebraska.

FISCAL IMPACT: The lowest bid for the Lift Station Project was approximately \$85,365 higher than the engineer's estimate.

The total cost of the two projects will be \$1,283,478.60.

LEGAL REVIEW: N/A

ATTACHMENTS: Engineer Recommendations

ACTION REQUESTED: The Council is requested to make a motion to award the contracts for the 22nd Street Culvert and Lift Station Projects to General Excavating of Lincoln, Nebraska.

From: David Gilmore <davidg@gilmore-engineering.com>

Sent: Monday, January 31, 2022 10:36 AM

To: Tom Ourada <tom.ourada@crete.ne.gov>

Subject: 22nd street lift station bids

Tom, I have reviewed the bids for Project 1 of 2, 22nd street lift station. I have discovered no errors or irregularities in the bids or their tabulation. The estimated construction cost was \$265,000. The lowest bid was from General Excavating of Lincoln, Nebraska at \$441,365.80. The second lowest bid was from Van Kirk Bros. Contracting of Sutton, Nebraska in the amount of 479,374. The highest bid submitted was from K2 Construction of Lincoln, Nebraska in the amount of \$689,250. During the bidding process, our office did not receive a single question or Request For Information from any contractor which suggests that the project requirements and scope of work were clearly defined in the bidding documents. In review of the unit prices of the low bidder, almost all unit prices are higher than our estimate and significantly higher than our past projects. The majority of the cost exceeding our estimate are related to the following items:

Lift Station including dewatering; bid amount \$253,892....our estimate \$230,000

Lower existing water main; bid amount \$11,225.10....our estimate \$2,500

Testing and misc. work; bid amount \$30,804.90....our estimate \$4,000

Although the bids exceeded our estimate I believe that the project was competitively bid. Contractor's work loads, material and labor shortages coupled with rising costs for fuel, labor, and general inflation is likely the cause of the higher bid prices. Higher prices may indeed be a new normal for the 2022 construction season. Since General Excavating was also the low bidder for Project 2 of 2, it is my recommendation that the City award the contract to the lowest, responsible bidder which is General Excavating of Lincoln, Nebraska in the amount of \$441,365.80.

If you have any questions regarding the bids or my recommendation, please contact our office.

David Gilmore, P.E.
GILMORE & ASSOCIATES, INC.
Engineers · Surveyors
P.O. Box 565
2670 33rd Avenue
Columbus, NE 68601
Phone: (402) 564-2807
Fax: (402) 564-2800
G&A #



906 South 26th Street | Lincoln, NE 68510 | Phone: 402.483.5466 | Fax: 402.483.1722 | www.speecelewis.com

January 27, 2022

Mr. Tom Ourada
City Administrator
243 East 13th Street
Crete, NE 68333

RE: East 22nd Street Project – Project 2 of 2
Project No. M226(266)
Structure No. U0620C1005

Dear Mr. Ourada:

The following bids were received by the bid closing deadline of Thursday, January 27, 2022, at 10:00am CST and were opened immediately thereafter:

BIDDER	TOTAL PROJECT BID	CONSTRUCTION START DATE	CONSTRUCTION END DATE
General Excavating	\$842,112.80	12.5.2022	6.30.2023
K2 Construction	\$1,033,060.70	Fall 2022	Spring 2023
Van Kirk Bros Contracting	\$891,977.00	Winter 2022-2023	Spring 2023

Please see the attached Bid Tabulation for further details.

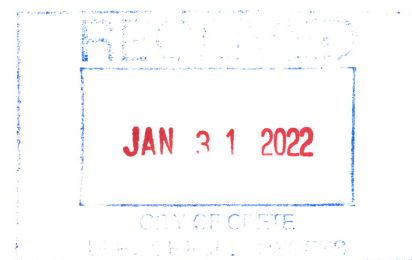
CORRECTIONS, CONVERSIONS, AND ADJUSTMENT OF BID PRICES:

One calculation error was found on the bid submitted by General Excavating for Line-Item No. 3-9. The Bid Price submitted by General Excavating was \$12,410.00 and the corrected calculation Bid Price was \$12,420.00. This error is noted on the attached Bid Tabulation but does not affect the Total Bid submitted or the results of this project letting.

EVALUATION OF BIDS:

All bidders met Bid Specifications and submitted all proper and required forms with their bids.

The lowest evaluated bidder has been determined to be qualified and capable of performing the contract.



On the basis of evaluation which was carried out in accordance with the bidding documents, we recommend accepting the bid of the lowest evaluated bidder, General Excavating, which has been qualified and is capable of performing the contract in accordance with the bidding documents.

Sincerely,

SPEECE LEWIS ENGINEERS, INC.

A handwritten signature in dark ink, appearing to read 'Tim Farmer', is written over the printed name.

Tim Farmer, P.E.
President

Enc.