



**TO:** The Honorable Mayor and City Council Members

**FROM:** Michael C. Van Milligen, City Manager

**SUBJECT:** SRF Green Alley Bid Set 2 - Year 2

**DATE:** August 27, 2014

Sealed bids were received for the SRF Green Alley Bid Set 2 – Year 2 Project. The City received only one bid in the amount of \$1,006,608.30 from Drew Cook and Sons Excavating, Inc., which was 33.9% over the original estimate of probable cost. Fehr-Graham, the engineering firm that designed this bid package for the City, originally provided the City with an estimate of \$751,989.00, but subsequently revised it's estimate to \$967,665.50 after the project was put out for bid.

Upon reviewing the one bid received, staff has identified that the proposed concrete pavement prices and modified quantities for other items were the main reasons the bid exceeded the original estimate of probable cost. Additionally, the accelerated completion schedule potentially had an impact on contractor pricing.

Staff would like to consult with the City's engineer on the project, Fehr-Graham, and the one bidder, Drew Cook & Sons Excavating, to review the bid submitted and the various scope of work elements to further evaluate the bid.

City Engineer Gus Psihoyos recommends the City Council postpone the award of the contract until the September 15, 2014 City Council meeting.

I concur with the recommendation and respectfully request Mayor and City Council approval.



Michael C. Van Milligen

MCVM:jh  
Attachment

cc: Barry Lindahl, City Attorney  
Cindy Steinhauer, Assistant City Manager  
Teri Goodmann, Assistant City Manager  
Gus Psihoyos, City Engineer