

City Council Agenda Memo

From: Jackie Lanning, City Engineer

Council Meeting: February 23, 2021

Subject: Awarding Bids on 2021-03STI, Jefferson Avenue Drainage Improvement Project

Person(s) Responsible: Jackie Lanning, City Engineer

Summary:

This resolution will award the bid for 2021-03STI, Jefferson Avenue Drainage Improvement Project to Bowes Construction, Inc. for the low bid of \$1,033,549.50.

Background:

The Jefferson Avenue Drainage Improvement Project is located in the Morningside Addition neighborhood as shown on the attached map. The project was designed by Banner Associates and will include installing new stormwater infrastructure in the street right-of-way and upgrading the sidewalk ramps to meet ADA standards. BMU has also included utility work in this project to upgrade their aged water main and a sanitary sewer manhole and they will reimburse the City for their portion of the work. The project is designed to manage storm water in the street right-of-ways to improve drainage issues in the backyards of homes in the neighborhood.

Item Details:

The City held a bid letting on Tuesday, February 16, 2021 and received the following bids:

Bowes Construction, Inc., Brookings, SD:	\$1,033,549.50
DeBoer Construction, Clear Lake, SD:	\$1,039,911.32
Duininck, Inc., Prinsburg, MN:	\$1,079,849.90
First Rate Excavate, Inc., Sioux Falls, SD	\$1,213,978.00

The bids were very competitive this year. The low bid of \$1,033,549.50 was approximately 2% higher than the Banners Associates engineer's estimate of \$1,010,321.00. The City's share of the construction fits within the budgeted loan amount.

Legal Consideration:

None.

Strategic Plan Consideration:

This project was a prioritized drainage project to improve storm water management in the Jefferson Avenue neighborhood. The project helps mitigate drainage issues related to street water flowing in between houses and through the side yards. The project also adds additional storm sewer inlets and pipe in the street right-of-way to manage storm water flows.

Financial Consideration:

The City will enter into contract with Bowes Construction, Inc. for the low bid amount of \$1,033,549.50. The City drainage fund will pay for the construction project and the DENR State Revolving Fund (SRF) Loan will reimburse the City's share of the costs. The City drainage fund will pay back the SRF Loan at a rate of 2.5% interest over a 20-year timeframe. BMU will reimburse the City for BMU's share of the costs.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a work session
5. Do nothing

Staff recommends approval of the resolution as presented.

Supporting Documentation:

1. Resolution
2. Map
3. Recommendation Letter