



March 30, 2022

Mr. Joe Schroeder
City of Mitchell
600 E. 1st St
PO Box 128
Mitchell, SD 57064

RE: Recommendation to Accept Bids and Award the WWTP Headworks and Equalization Basin Improvements Project

Dear Mr. Schroeder:

On March 22, 2022, the City of Mitchell opened bids for the WWTP Headworks and Equalization Basin Improvements Project. Clarifications were provided to prospective bidders through three (3) addendums prior to bidding. Bids have been tabulated and checked. In evaluating the bids there were no errors in the low bidder's proposal. A copy of the bid tabulations is attached.

Three (3) bids were received and opened for the project. Results are summarized below:

Bidder	Total Gross Bid
PKG Contracting, Inc.	\$15,796,900
John T. Jones Construction Company	\$15,808,000
Stanek Constructors, Inc.	\$15,962,400

PKG was the low bidder with a Total Gross Bid of \$15,796,900. The low bid is over the latest Engineers Opinion of Probably Construction Cost of \$15,000,000. We feel having three quality bidders within 1% of each other benefited the City. Having bids this close to each other is an indication that these contractors wanted this project, and each contractor understood the plans and specifications. We also feel that the timing was right for the bid opening. There are several vertical construction projects that are currently out for bids or will be soon. All indications are that in the current market, costs will only increase as we move forward.

PKG has successfully completed numerous vertical construction projects and HDR has worked with them in the past. Since the bid opening, PKG and HDR have meet to discuss any value-added options to reduce the project cost but not compromise the end product for the City. These options include precast panels for the new headworks building, changing the type of piers for the foundations and casting the equalization tank in place. We feel these are viable options for the City and would like to discuss further before accepting these design modifications.

Based on this information and after evaluation of the bids received, HDR recommends accepting the bids and awarding a contract for the City of Mitchell WWTP Headworks and Equalization Basin Improvements project to PKG Contracting, Inc., contingent on the availability of additional funds and funding agency approval. We would also recommend circulating a change order with the contract award for any of the potential value-added items provided by PKG that the City accepts.

If you have any questions, please do not hesitate to contact me at (605) 977-7754 or via email at gabriel.laber@hdrinc.com.

Sincerely,

HDR ENGINEERING, INC.

A handwritten signature in black ink, appearing to read 'Gabe Laber', with a long horizontal flourish extending to the right.

Gabe Laber, PE
Project Manager

Attachments

BID TABULATION
WWTP Headworks and Equalization Basin Improvements

CITY OF MITCHELL, SD
 3/22/2022

Item No.	Description	Units	Quantity	PKG Contracting, Inc.		John T. Jones Construction Company		Stanek Constructors Inc.	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Mobilization, Demobilization, Bonds, Permits, Insurance, and Other Miscellaneous Administration Requirements	LS	1	\$ 1,248,580.00	\$ 1,248,580.00	\$ 1,100,000.00	\$ 1,100,000.00	\$ 1,600,000.00	\$ 1,600,000.00
2	Existing Pump Station Modifications	LS	1	\$ 1,591,520.00	\$ 1,591,520.00	\$ 1,639,000.00	\$ 1,639,000.00	\$ 1,350,000.00	\$ 1,350,000.00
3	New Headworks Facility, Including Septage Receiving	LS	1	\$ 9,136,000.00	\$ 9,136,000.00	\$ 8,499,600.00	\$ 8,499,600.00	\$ 9,142,400.00	\$ 9,142,400.00
4	Equalization Basin Improvements	LS	1	\$ 2,670,000.00	\$ 2,670,000.00	\$ 2,831,400.00	\$ 2,831,400.00	\$ 2,300,000.00	\$ 2,300,000.00
5	Site Piping Improvements	LS	1	\$ 690,000.00	\$ 690,000.00	\$ 1,100,000.00	\$ 1,100,000.00	\$ 1,250,000.00	\$ 1,250,000.00
6	Site Removals and Improvements	LS	1	\$ 460,800.00	\$ 460,800.00	\$ 638,000.00	\$ 638,000.00	\$ 320,000.00	\$ 320,000.00
Total Gross Bid:					\$ 15,796,900.00		\$ 15,808,000.00		\$ 15,962,400.00

I HEREBY CERTIFY THAT THE FOREGOING IS AN ACCURATE REPRESENTATION AND TABULATION OF ALL BIDS RECEIVED AND THAT THE MATHEMATICS HAVE BEEN CHECKED AND IS TO THE BEST OF MY KNOWLEDGE CORRECT:

PROJECT MANAGER: _____ DATE: 3/22/22

