



# City of Killeen

## Legislation Text

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**File #:** RS-23-137, **Version:** 1

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Consider a memorandum/resolution rejecting bid received for Bid No. 23-39, Chaparral Pump Station Project.

**DATE:** September 5, 2023

**TO:** Kent Cagle, City Manager

**FROM:** Jeffery Reynolds, Executive Director of Public Works

**SUBJECT:** Reject Submissions for Bid No. 23-39, Chaparral Pump Station Project

**BACKGROUND AND FINDINGS:**

The 2019 Water and Wastewater Master Plan includes project 4W - construction of an 8.0 MGD pump station at the site of the new Chaparral Elevated Storage Tank (EST). This new pump station will pump water from the Chaparral EST into the water distribution system for the Upper Pressure Plane - the western half of the City. The City solicited bids for construction of the pump station. Three (3) contractors attended the mandatory pre-bid meeting on July 13, 2023.

On August 3, 2023, SSP Industries, LP, who was the only bidder, submitted a bid in the amount of \$8,434,743. In response, Freese and Nichols, Inc. (FNI), the engineering design team for the project, recommended a No Reward due to only receiving one bid and that the sole submitted bid was significantly higher than FNI's opinion of probable construction cost (OPCC). The estimated cost at the time of the Master Plan was \$5,244,000.

**THE ALTERNATIVES CONSIDERED:**

- (1) Authorize the award of Bid No. 23-39, Chaparral Pump Station Project to the only bidder, SSP Industries, LP, in the amount of \$8,434,743.
- (2) Do not authorize the award of Bid No. 23-39, Chaparral Pump Station Project and rebid this project at a later date.

**Which alternative is recommended? Why?**

Alternative two (2) is recommended due to the submission of only one bid and that bid being significantly higher than FNI's OPCC.

**CONFORMITY TO CITY POLICY:**

Rejection of the bid follows the competitive bid process permitted per local Government Code, Killeen City Charter, and the City's purchasing policy.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

N/A

**Is this a one-time or recurring expenditure?**

N/A

**Is this expenditure budgeted?**

N/A

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

N/A

**RECOMMENDATION:**

Authorize the rejection of Bid No. 23-39, Chaparral Pump Station Project.

**DEPARTMENTAL CLEARANCES:**

Public Works

Finance

Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Bid Proposal

Freese and Nichols Letter of Recommendation