



VALLEY DITCH PHASE 1-B.N.S.F. RAILROAD DRAINAGE IMPROVEMENTS BID REJECTION

RS-21-117

August 17, 2021

Background, Scope of Services, and Funding

- The Valley Ditch project was included in the approved Capital Improvement Program last fiscal year. The necessity of improvements to the existing Railroad culvert was mentioned in the 2005 and 2012 Drainage Master Plans. The drainage study and design that was completed in the past became obsolete and inadequate due to new development within Fort Hood.
- Walker Partners, L.L.C. completed a drainage study, prepared construction documents and assisted the City in securing the necessary permits and performed construction administration of this project.

Background, Scope of Services, and Funding

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- On July 9, 2021, bids for Valley Ditch Phase 1 – B.N.S.F. Railroad Drainage Improvements were opened and read aloud through a zoom online video conferencing. Three (3) contractors submitted bids on the project. The bids are as follows:

Bidders	Total Bid Amount
Jerdon Enterprise, LP	\$1,439,338.00
Digg Commercial, LLC	\$1,248,444.00
Anderzack – Pitzen Construction	\$1,565,980.00

- Walkers Partner's estimated probable costs were \$852,500 and these bids are far greater than anticipated for the project.

Alternatives

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- ❑ Reject all Bids and do not move forward with the construction of Valley Ditch Phase 1 – B.N.S.F. Railroad Drainage Improvements Project. Re-publish project for bid in the next six (6) months in hopes of a construction cost decrease in the future.

- ❑ Authorize the award of a construction contract to lowest responsible bidder, Digg Commercial, L.L.C. for the construction of Valley Ditch Phase 1 – B.N.S.F. Railroad Drainage Improvements Project in the amount of \$1,248,444.

Recommendation

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- ❑ Staff recommends that the City Council reject all bids due to budget constraints and fluctuating market conditions of material costs.
- ❑ The bid documents allow the City to reject all or any part of the bid proposals.