October 27, 2017

TO:           ACHD Commissioners, ACHD Director,  
               ACHD Deputy Directors

FROM:        David Rader, Project Manager

SUBJECT:    State Street Bridge #1486  
               ACHD Project No. 216021  
               Bid Date: October 11, 2017  
               Consent Agenda Item: November 1st, 2017  
               Commission Meeting

Executive Summary
The project bids were opened and read at the ACHD Site R at 3:00 pm, October 11, 2017. The low cost, responsive bid was submitted by Knife River Construction in the amount of $1,105,383.00 for the subject project to replace the aging bridge structure under the intersection of 15th and State Street. The intersection will also be improved with concrete pavement and green stormwater infrastructure installed. Staff recommends accepting the bid and awarding the contract to the low cost responsive bidder.

Facts & Findings
The bid results are presented below:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Knife River Construction</td>
<td>$1,105,383.00</td>
</tr>
<tr>
<td>2 Concrete Placing</td>
<td>$1,250,000.00</td>
</tr>
<tr>
<td><strong>Engineer’s Estimate</strong></td>
<td><strong>$896,499.05</strong></td>
</tr>
</tbody>
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The bid analysis indicates the low cost, responsive bid for the project came in 23% above the Engineer’s Estimate. The range of the bids was between 23% above and 39% above the Engineer’s Estimate with the average bid coming in at 31% above the Engineer’s Estimate. Contractors are extremely busy right now with the current state of the economy and the project timeline requires cold weather protection for the concrete pavement. The concrete pavement bid item accounted for 34% of the difference between the engineers estimate and responsive low bid and the mobilization item accounted for 54% of the difference.

The low cost, responsive bid for the project came in 57% above the FY18 budgeted amount. The deficit amount of $403,383 was created as a result of higher than anticipated bid results and a mistake that occurred during the FY18 budgeting process.
escalated to capture inflation expected in 2018. The project estimate was contained in two separate excel files that were submitted by the design consultant. One of the estimate files contained the “roadway” bid items and other estimate contained the “bridge” bid items. When the escalation calculation occurred only the “roadway” bid items were captured and carried into the FY18 budget. The estimate containing the “bridge” bid items was mistakenly omitted creating an $189,000 deficit entering FY18.

**Fiscal Implications**
There is $702,000 in the FY 17 budget for construction. Staff will request a 1st budget adjustment increase in the amount of $436,500. This includes a 3% contingency in the amount of $33,000. There is $720,000 in additional revenue for the Arterial and Collector Capital Maintenance (2018) Project due to ACHD receiving Emergency Relief Funds from the State of Idaho. Staff recommends $313,000 of the funds originally allocated to Arterial & Collector Capital Maintenance (2018) Project be reallocated to the State Street Bridge Project. Such a fund reallocation would reduce the needed 1st budget adjustment to $123,500.

**Policy Implications**
This project was approved as part of the FY18 Budget and the 2018-2022 Integrated Five Year Work Plan, adopted by the Commission on September 27, 2017.

**Schedule Implications**
Substantial completion of the project is set for April 30th, 2018 based on a notice to proceed (NTP) date of Dec 5th, 2017.

**Alternatives**
1. Accept the bid and award the contract to Knife River Construction.
2. Reject the bid.

**Recommendation**
Staff recommends Alternative 1: Accept the bid and award the contract to Knife River Construction

cc: Project File
    Justin Bledsoe
    Breann Shearer
    Karl Augustine