



**City of Missoula, Montana
City Council Committee Agenda Item**

Committee: Public Works and Mobility

Item: Bid Award with Knife River for the Eaton St. Phase I right-of-way improvement project.

Date: May 11, 2022

Sponsor(s): Monte Sipe

Prepared by: Mark Todorovich

Ward(s) Affected:

<input type="checkbox"/> Ward 1	<input type="checkbox"/> Ward 4
<input type="checkbox"/> Ward 2	<input type="checkbox"/> Ward 5
<input type="checkbox"/> Ward 3	<input checked="" type="checkbox"/> Ward 6
<input type="checkbox"/> All Wards	<input type="checkbox"/> N/A

Action Required:
Award the bid to Knife River for the Eaton Street Phase I right-of-way improvement project and authorize the return of bid bonds.

Recommended Motion(s):
I move the City Council: Award the bid for Eaton Street Phase 1 right-of-way improvements project to Knife River at a cost not to exceeded \$1,141,208.81 and authorize the return of bid bonds.

Timeline:

Committee discussion:	May 11, 2022
Council action (or sets hearing):	May 16, 2022
Public Hearing (if required):	N/A
Final Consideration	N/A
Deadline:	N/A

Background and Alternatives Explored:
We received two bids for this project. The low bid was submitted by Knife River in the amount of \$1,141,208.81 The two bids were \$8,500 apart. The low bid was \$195,000 over the engineers estimate, or approximately 20% higher. We have seen recent City Public Works & Mobility bids that are on average 15% to 20% higher than the engineers estimate. These higher bids reflect current economic trends and uncertainties including limited contractor availability, rising material and transportation costs and labor shortages.

Financial Implications:
A portion of the costs of the improvements will be assessed to adjacent property owners under the City's Special Improvement Assessment and Funding Assistance Programs. The other funding sources are Road District #1, BaRSAA, and Transportation Impact Fees. The attachment shows the contractors bidding on this project.

Links to external websites:
Bid Tab

