



CITY OF POQUOSON

500 CITY HALL AVENUE, POQUOSON, VIRGINIA 23662-1996
(757) 868-3000 FAX (757) 868-3101

Office of the City Manager

March 8, 2010

TO: City Council

FROM: Theresa Owens, Finance Director

THROUGH: Randy Wheeler, City Manager

SUBJECT: Award of Construction Contract for Pump Station 2 Capacity Improvements

The City advertised for bid the construction of pump station 2 capacity improvements on February 5, 2010. The bids were opened on February 25, 2010. The City received four bids. Based upon the review of the bid documents and references, our engineering consultants, Rummel, Klepper & Kahl, LLP, have determined and recommend Shaw Construction Corp. as the most responsive and responsible bidder for this project.

Attached for your consideration is a resolution authorizing the City Manager to enter into a contract with Shaw Construction Corp. for the construction of pump station 2 capacity improvements. We have also attached an appropriation ordinance appropriating the bond proceeds to be used for the construction of the improvement. The cost of the project not only includes the cost of construction of \$450,699, it includes the cost of issuance of the debt in the amount of \$5,000, and engineering services \$63,000. This leaves approximately \$80,000 for any unforeseen construction costs. Any remaining bond proceeds at the end of the project will be used to pay the interest on the debt and/or to pay principle.

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER
INTO A CONTRACT WITH SHAW CONSTRUCTION
FOR CONSTRUCTION OF PUMP STATION 2 CAPACITY IMPROVEMENTS**

WHEREAS, bids were solicited for the construction of pump station 2 capacity improvements; and

WHEREAS, four (4) bids were received for the construction project with the lowest having been submitted by Shaw Construction Corp. in the amount of \$450,699; and

WHEREAS, the apparent low bid has been reviewed by the City's engineers, Rummel, Klepper & Kahl, LLP, and found to be both responsible and responsive to the bid requirements; and

WHEREAS, the City's engineer recommends that City Council award a construction contract to Shaw Construction Corp.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Poquoson, Virginia:

Section 1: That the City Manager is hereby authorized to do all things necessary to enter into a contract with Shaw Construction Corp. for construction of pump station 2 capacity improvements.

Section 2: That upon execution of the contract, the City Manager is authorized and directed to issue a Notice to Proceed to Shaw Construction Corp.

Section 3: That this resolution shall become effective immediately upon adoption.

ADOPTED: _____

TESTE: _____
City Clerk

ORDINANCE NO. _____

**AN ORDINANCE MAKING ADDITIONAL APPROPRIATIONS AND
REAPPROPRIATIONS FOR FISCAL YEAR 2009-2010**

WHEREAS, the City has received bond proceeds, and

WHEREAS, those bond proceeds are to be used for the construction of pump station 2 capacity improvements.

NOW, THEREFORE, BE IT ORDAINED, by the Council of the City of Poquoson, Virginia:

Section 1: That an additional \$600,000 in revenues in the Sewer Fund be and the same hereby are appropriated within the Fiscal Year 2009-2010 Budget as follows:

SEWER FUND

Revenues:

Bond Proceeds \$600,000

TOTAL **\$600,000**

Expenditures:

Pump Station 2 Improvements \$600,000

TOTAL **\$600,000**

Section 2: That the second reading of this ordinance is hereby dispensed with and the provisions contained herein shall become effective immediately upon adoption.

ADOPTED: _____

TESTE: _____
City Clerk



William K. Hellmann
Emeritus

David W. Wallace
Stephen G. Zentz
J. Michael Potter
Thomas E. Mohler
James A. Zito
Michael W. Myers

Robert J. Halbert

Charles M. Easter, Jr.
Joseph A. Romanowski, Jr.
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Lars E. Hill
J. Tommy Peacock, Jr.
Martin C. Rodgers
Kenneth A. Goon
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Barbara J. Hoage
Christopher F. Wright
Owen L. Peery
Nancy R. Bergeron
Stuart A. Montgomery
David G. Vanscoy
Henry J. Bankard, Jr.
James F. Ridenour, Jr.
Robert J. Andryszak
Raymond M. Harbeson, Jr.
B. Keith Skinner
Karen B. Kahl
Seyed A. Saadat
John C. Moore
Eric M. Klein
Todd E. Rousenberger
Donald P. Lauzon
Thomas M. Heil
Robert D. Ostermiller
Barry L. Brandt
Malachi M. Mills, III
James A. Burnett
Brian L. Hepting
Michael V. Gaffney
Lee C. Yowell
Steven L. Thomas

February 26, 2010

Jeffrey Bliemel, P.E.
City of Poquoson
500 City Hall Avenue
Poquoson, Virginia 23662-1996

Dear Mr. Bliemel:

Reference: City of Poquoson
Pumping Station No. 2 Capacity Improvements
IFB No. ENG-09-001
Award Recommendation
RK&K Commission No. 805-169-004

We reviewed the bids received on February 25, 2010 for the above referenced project and confirmed Shaw Construction, Corp. of Williamsburg, Virginia is the apparent low bidder with a Total Base Bid amount of \$450,699.00. Four bids were received ranging from \$450,699.00 to \$598,492.80. The Engineer's Construction Cost Estimate was \$571,771.85. This estimate was based on existing market conditions reflected in recently bid projects similar in nature to the work included. The two low bids received were very competitive with only \$125.00 left on the table. A tabulation of bids received is attached for your use.

We also reviewed the qualifications and experience documentation provided by Shaw Construction, Corp. The Contractor reported one completed project with the County of Chesterfield, Virginia and three completed projects with HRSD. The County of Chesterfield project is Addison-Evans Treatment Plant and the HRSD projects include Bethel-Poquoson Force Main Part II Emergency Repairs, Kingsmill PS Generator Installation, and Pressure Control Valve Improvements on the Northshore. The County of Chesterfield project manager reported having no problems working with Shaw Construction, Corp. and continues to work with them on current projects. The project required a few change orders for additional work and extended the length of the original contract but the additional work was both justified and desired by the owner. The HRSD project manager for the Bethel-Poquoson Force Main Part II Emergency Repairs reported above average quality of work and an on-schedule completion. Shaw Construction, Corp. was the apparent low bidder for the recently bid Williamsburg Treatment Plant project and the project manager expressed some concerns about manpower required to construct multiple jobs simultaneously.

The respective HRSD project managers for Kingsmill PS Generator Installation and Pressure Control Valve Improvements reported the Contractor seemed

stretched too thin in executing the projects simultaneously. The HRSD project manager for the Kingsmill PS Generator Installation reported the Contractor's execution was hurried initially leading to quality concerns, but these concerns were resolved by project closeout. The pressure control valve project manager reported the work quality was satisfactory but the project manager was difficult to work with, arguing over pennies, claiming they missed something in their bid and allowing the schedule to drag.

The submitted Subcontractor's Data Sheet indicates Shaw Construction, Corp. intends to subcontract electrical and control work, masonry, and wet well coating. Supplemental data provided suggests Systems East, Inc., Michael Wilson, and CEC Linings, Inc. will perform this work.

Shaw Construction, Corp. offers an attractive and competitive bid for the work included as part of this project. Past experience working with Hampton Roads Sanitation District and County of Chesterfield indicates the Contractor and its personnel are experienced in performing work similar in nature to the work included for the pump station improvements.

RK&K recommends the City of Poquoson award the Pumping Station No. 2 Capacity Improvements project to Shaw Construction, Corp. but recognize and consider the concerns raised by the contractor provided project references at HRSD in administering the contract. The City of Poquoson may benefit from:

- Advising the Contractor of the reported concerns regarding project superintendence, work quality and schedule adherence at the pre-construction meeting;
- Routine monitoring of the contractor's progress and compliance with the Contract Documents; and,
- Conducting and documenting routine progress meetings to review and document the contractor's progress and work schedule.

Please call me if you have any questions or need any additional information.

Very truly yours,
Rummel, Klepper & Kahl, LLP



Mike Gaffney, PE
Associate

Enclosure (bid tabulation)

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Project Name: City of Poquoson Pumping Station No. 2 Capacity Improvements
 IFB No. ENG-09-001
 Bid Date: February 25, 2010

Item	Unit	Est. Qty.	Engineer's Estimate			Shaw Construction Corp.			Mid Eastern Builders, Inc.			Bruce Corporation			M&W Construction Corporation		
			Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1 Pump Station Rehabilitation Work	L.S.	1	\$564,571.85	\$564,571.85	\$442,059.00	\$442,059.00	\$437,000.00	\$437,000.00	\$510,126.00	\$510,126.00	\$591,120.00	\$591,120.00	\$3.20	\$3.20	\$2,764.80	\$2,764.80	
2 Concrete Rehabilitation	Cu. In.	864	\$5.00	\$4,320.00	\$4.00	\$3,456.00	\$6.00	\$5,184.00	\$3.80	\$3,283.20	\$18.80	\$5,414.40	\$16.00	\$16.00	\$4,608.00	\$4,608.00	
3 Liner Repairs	Sq. In.	288	\$10.00	\$2,880.00	\$18.00	\$5,184.00	\$30.00	\$8,640.00	\$18.80	\$5,414.40	\$18.80	\$5,414.40	\$16.00	\$16.00	\$4,608.00	\$4,608.00	
Total Bid			\$571,771.85	\$571,771.85	\$450,699.00	\$450,699.00	\$450,824.00	\$450,824.00	\$518,823.60	\$518,823.60	\$598,492.80	\$598,492.80					

Judy Wiggins

From: Jeff Bliemel [JBliemel@Poquoson-VA.GOV]
Sent: Thursday, February 25, 2010 10:35 AM
To: . Randy Wheeler; Judy F. Wiggins
Cc: Debbie Vest; Bob Speechley; Theresa Owens
Subject: Pump Station #2 Bids

Great News.... Pump Station #2 Capacity Enhancement project bid came in \$121,301 (21.3%) less than the engineer's estimate. The 2 lowest bidders were only \$125 apart. Here are the bids:

1. Shaw Construction	\$450,699.00	Apparent low bidder
2. Mid Eastern Builders	\$450,824.00	
3. Bruce Corporation	\$518,823.60	
4. M & W Construction	\$598,492.80	
5. Engineer's Estimate	\$572,000.00	

Mike Gaffney recently evaluated Shaw Construction on other projects and knows their foreman and sees no problem with the company. Mike believes he will have his written recommendation to us by Monday, March 1.

Jeff

Jeffrey J. Bliemel, P.E.
PLANNING ENGINEER
City of Poquoson
500 City Hall Avenue
Poquoson Virginia 23662
(757) 868-3025 FAX (757) 868-3015

Pump Station #2 Bid Tabulations

	Shaw Construction	Mid Eastern Builders	Bruce Construction	M & W Construction
Lump Sum Bid	\$442,059.00	\$437,000.00	\$510,126.00	\$591,120.00
Unit Bid 1				
QTY	864	864	864	864
Unit Price	\$4.00	\$6.00	\$3.80	\$3.20
Sub Total Price 1	\$3,456.00	\$5,184.00	\$3,283.20	\$2,764.80
Unit Bid 2				
QTY	288	288	288	288
Unit Price	\$18.00	\$30.00	\$18.80	\$16.00
Sub Total Price 2	\$5,184.00	\$8,640.00	\$5,414.40	\$4,608.00
Total Unit Prices	\$8,640.00	\$13,824.00	\$8,697.60	\$7,372.80
Grand Total	\$450,699.00	\$450,824.00	\$518,823.60	\$598,492.80