

MEMORANDUM

TO: Gary Barczak, Chair, Board of Public Works
Vincent Vitale, First District
Eric Euteneier, Second District
Thomas G. Lajsic, Fourth District
Rosalie Reinke, Fifth District

FROM: Peter C. Daniels, P.E., City Engineer

DATE: March 19, 2019

RE: **Communication from City Engineer regarding the bid opening for the reconstruction of National Avenue from S. 92nd Street to S. 95th Street**

The bids for the reconstruction of National Avenue from S. 92nd Street to S. 95th Street came in \$229,127.30 **over** our engineering consultant's estimate of \$1,754,522.90. Here are the numbers:

| | |
|-----------------------|---|
| \$1,983,650.20 | Bid from LaLonde Contractors Inc. |
| <u>\$297,547.53</u> | Fees for Inspection by Consultant Community Engineering |
| \$2,281,197.73 | Total Cost |
| <u>-\$943,350.00</u> | Federal Funds Allocated to City |
| \$1,337,847.73 | Total City Cost |

The increases in the bid were almost entirely from within the storm sewer and sanitary sewer work planned on the project. The cost of the sanitary sewer work will be \$106,974.50 more than the estimate and the cost of the storm sewer work will be \$86,560.00 more than the estimate. Several other cities in southeast Wisconsin have also experienced substantial increases in their underground bid prices due to a lack of available contractors given the increase in work being bid this year.

Our recommendation is to proceed with the proposed work since these extra costs can easily be absorbed within the 2019 budget amounts by reducing the amount of sewer relay work planned for later in the calendar year. We are also very pleased that **LaLonde Contractors** was the low bidder; they are a very reputable contractor that we have had a good experience working with for decades.