

**Fiscal Comments
Commission Meeting
June 11, 2024
Regular Meeting**

Policy Report PWD No. 24-28

Consider Approval of Low Bid for Construction of the 4th Street Improvement Project from Choctaw to Seneca

City Project No. 2020-939

Finance Project No. I2101

During the 2024 Operating Budget and 2024 - 2028 CIP Budget process, the City Commission approved \$5,200,000 for improvements of 4th Street between Choctaw and Seneca. The original project included a complete replacement of subsurface sanitary and sewer infrastructure. KDOT approved a \$1,000,000 grant for the project, therefore, the City's budget for the project was \$4,200,000. KDOT's participation required additional steps and paperwork. KDOT opened bids for the project on December 13, 2023, and bids came in significantly higher than budget (approximately \$2,000,000 per block). Based on direction received during the December 19th, 2024, City Commission study session, the City notified KDOT that we would not be moving forward with the project as designed.

On January 9th, 2024, the City Commission authorized the Mayor to sign a design contract with the original design consultant, BHC, to arrive at a modified design scope for the project that would provide the needed upgrades to the street while limiting the subsurface replacement of the sanitary and storm lines. There is no KDOT funding available for the redesigned project. The revised scope focuses on reducing all construction related costs.

The bids for the redesigned project were opened on June 4, 2024. The list of all bids received is below:

Company	City	Base Total Bid
Linaweaver Construction	Lansing, KS	\$3,145,630.00
Sands Construction	Leavenworth, KS	\$3,219,869.60
Julius Kaaz Construction	Leavenworth, KS	\$3,476,233.00
Engineer's Estimate		\$3,044,362.50

Linaweaver Construction was the low bidder at \$3,145,630 and met all bidding requirements. The bid was 3.2% over the engineer's estimate.

The amended budget for the project, after design costs, is \$3,800,000. There may be unforeseen issues that arise when the intersections are reconstructed. Staff feels that change orders totaling 10% (up to \$315,000) are possible. Even with possible change orders, the project should come in under budget.

Staff recommends the City Commission award the bid for the 4th Street Improvement Project from Choctaw to Seneca to Linaweaver Construction in the amount of \$3,145,630 and authorize the City manager to approve change orders up to \$315,000.