



CITY OF SEGUIN

Memorandum

To: Mayor and City Council Members
Douglas Faseler, City Manager

From: David Rabago, P.E., CFM, Utility Engineer

Through: Rick Cortes, Assistant City Manager

Date: November 17, 2015

Subject: Seguin Utility Operations Center

On August 18, 2015 City Council authorized staff to solicit competitive bid proposals for the Utility Operations Center. Authorization was granted based on the completion of the design and construction documents and the project being ready to bid.

On September 29, 2015, the City of Seguin opened bids for the construction of the Utility Operations Center. The base bid includes Operations, Warehouse, and Office/Storage Buildings, Truck Wash, Covered Dock and Walkway, and Site Work.

Bids were received from ten different contractors ranging from a low base bid of \$11,450,000.00 from Don Krueger Construction Company to a high base bid of \$13,515,000.00 from Lyness Construction. The three lowest qualified bidders, Don Krueger Construction Company, Stokes Construction, and Swinerton Builders were interviewed on October 22, 2015 by the Architect, the Utility Committee, and City Staff. Tim S. Gescheidle, AIA, Principal and Owner of TSG Architects, the Utility Committee, and city staff have reviewed the proposed bids and recommend entering into contract negotiations with Don Krueger Construction Company. Staff is recommending Don Krueger Construction Company based on interview performance, strong references, and experience with similar projects, as well as being the lowest qualified bidder.

The contract negotiations process will include a Value Engineering (VE) phase as an effort to consider other cost savings for this project.

Please find attached Bid Recommendation Letter from TSG Architects recommending contract negotiations be entered with Don Krueger Construction Company. Staff concurs with this recommendation and will be available to answer any questions at the Tuesday, November 17, 2015 City Council Meeting.