

RESOLUTION NO. R18-77

RESOLUTION AWARDING STRATEGIC CONSTRUCTION SOLUTIONS THE CONTRACT FOR THE CITY OF LAUREL'S WWTP SLUDGE DEWATERING FACILITIES AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS REQUIRED FOR THE PROJECT ON THE CITY'S BEHALF.

WHEREAS, the City of Laurel planned and publicly advertised the project known as the WWTP Sludge Dewatering Facilities Project, and the City received two responsive bids from qualified contractors; and

WHEREAS, the City's Engineers, KLJ, and City Staff considered the bids received and recommends the City Council award the project and that the contract is in the City's best interest; and

WHEREAS, Strategic Construction Solutions submitted a bid of \$1,575,000.00 and both KLJ and the City Staff have determined the bid is in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Laurel, Montana, finds that the City has followed its procurement policies and state law requiring competitive bidding; and

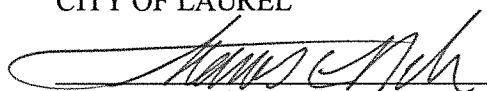
BE IT FUTHER RESOLVED the City Council hereby awards the contract and project to Strategic Construction Solutions for their bid price of \$1,575,000.00. The Mayor, CAO and City Clerk are authorized to sign all documents, agreements or contracts on the City's behalf.

Introduced at a regular meeting of the City Council on November 6, 2018, by Council Member Klose.


PASSED and APPROVED by the City Council of the City of Laurel this 6th day of November 2018

APPROVED by the Mayor this 6th day of November 2018.

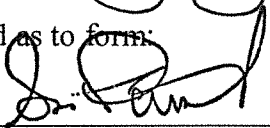
CITY OF LAUREL


Thomas C. Nelson, Mayor

ATTEST;


Bethany Langve, Clerk-Treasurer, Clerk-Treasurer

Approved as to form:


Sam Painter, Civil City Attorney

Notice of Award

Date: November 6, 2018

Project: WWTP Sludge Dewatering Facilities	
Owner: City of Laurel, Laurel MT	Owner's Contract No.:
Contract: WWTP Sludge Dewatering Facilities	Engineer's Project No.: 1804-00120
Bidder: Strategic Construction Solutions	
Bidder's Address: 4700 E Southern Avenue	
Mesa, AZ 85206	

You are notified that your Bid dated October 15, 2018 for the above Contract has been considered. You are the Successful Bidder and are awarded a Contract for WWTP Sludge Dewatering Facilities.

The Contract Price of your Contract is One Million, Five Hundred Seventy Five Thousand Dollars and Zero Cents (\$1,575,000.00).

3 copies of the proposed Contract Documents (except Drawings) accompany this Notice of Award.

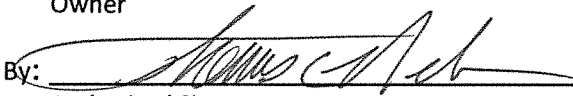
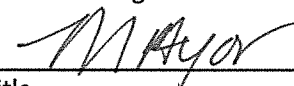
(tbd) sets of Drawings will be delivered separately or otherwise made available to you immediately.

You must comply with the following conditions precedent within fifteen [15] days of the date you receive this Notice of Award.

1. Deliver to the Owner three (3) fully executed counterparts of the Contract Documents.
2. Deliver with the executed Contract Documents the Contract Security [Bonds] as specified in the Instructions to Bidders (Article 20) and General Conditions (Paragraph 5.01).
3. Deliver to the Owner three (3) fully executed Certificates of Insurance naming the Owner and Engineer as additional insured in accordance with SC-5.04 of Section 00810.

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Contract Documents.

City of Laurel
Owner
By: 
Authorized Signature

Title

Copy to Engineer

**SECTION 00500
AGREEMENT FORM**

This Agreement is dated as of the 6th day of November in the year 2018, by and between the City of Laurel, hereinafter called "Owner" and Strategic Construction Solutions, hereinafter called "Contractor". Owner and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 - WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

The addition of a sludge screw press, sludge cake pump and the replacement of two sludge transfer pumps, related piping, valves, electrical and control system modifications and other miscellaneous items for fully functional systems along with a roll-off dumpster pad and cover structure and yard piping. In addition to the sludge dewatering system, the project also includes the dewatering of approximately 420,000 gallons of sludge, cleaning of two anaerobic digesters and the rehabilitation of one anaerobic digester.

ARTICLE 2 - THE PROJECT

2.01 The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

WWTP Sludge Dewatering Facilities

ARTICLE 3 - ENGINEER

3.01 The Project has been designed by Kadrmas, Lee and Jackson, Inc. (KLJ), which is to act as Owner's Representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 - CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Days for Substantial Completion and Final Payment*

A. Work will be substantially completed within 150 calendar days of the date of issuance of the Notice to Proceed. Final completion of the Work shall be within 30 calendar days after the date of Substantial Completion. Additionally, the dewatering of approximately 420,000 gallons of sludge and the cleaning of the two digesters shall be completed within 45 days of the of the date of issuance of the Notice to Proceed.

B. Substantial completion will be determined as in Paragraph 1.01 of the General Conditions.

- C. Final completion is defined as completion of all components of the project including those which were not yet considered complete by substantial completion.

4.03 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owner \$750 for each day that expires after the time specified in Paragraph 4.02 above for Substantial Completion until the Work is substantially complete. After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by Owner, Contractor shall pay Owner \$500 for each day that expires after the time specified in Paragraph 4.02 above for Final Completion until the work is Final Completion is attained. It is further understood and agreed that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owner \$1000 for each day that expires after the time specified in Paragraph 4.02 above for the dewatering of approximately 650,000 gallons of sludge and the cleaning of the two digesters.

ARTICLE 5 - CONTRACT PRICE

5.01 *Contract Payment*

- A. Owner shall pay Contractor for completion of the work in accordance with the Contract Documents the lump sum amount (subject to adjustment as provided in the Contract Documents) of One Million Five Hundred Seventy Five Thousand Dollars and Zero Cents \$1,575,000.

ARTICLE 6 - PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments in accordance with Article 14 of the General Conditions on account of the Contract Price on the basis of Contractor's Applications for Payment as recommended by Engineer, once each month during construction as provided below. All progress payments will be on the basis of the progress of the Work measured by the number of units of each bid item completed times the bid unit price in the Unit Price Schedule of the Bid Form for that item.
 - 1. Prior to Substantial Completion, progress payments will be made in an amount proportional to the percentage of the Work completed, less the aggregate of payments previously made and less such amounts as Engineer may determine or

Owner may withhold, in accordance with Paragraph 14.02 of the General Conditions.

- a. The Owner shall retain five percent (5%) of the amount of each payment until final completion and acceptance of all Work covered by the Contract Documents.
 - b. Retainage will be five percent (5%) of materials and equipment not incorporated in the Work (but delivered, suitably stored and accompanied by documentation satisfactory to Owner as provided in Paragraph 14.02 of the General Conditions).
2. Upon Substantial Completion and at the Owner's discretion, the amount of retainage may be further reduced if requested by the Contractor.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 14.07 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 14.07.

ARTICLE 7 - INTEREST

- 7.01 All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest at the maximum rate allowed by law at the place of the Project.

ARTICLE 8 - CONTRACTOR'S REPRESENTATIONS

- 8.01 In order to induce Owner to enter into this Agreement, Contractor makes the following representations:
- A. Contractor has examined and carefully studied the Contract Documents (including all Addenda) listed in Paragraph 9 and the other related data identified in the Bidding Documents.
 - B. Contractor has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and furnishing of the Work.
 - C. Contractor is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
 - D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site (except Underground Facilities) which have been identified in the Special Provisions as provided in Paragraph 4.02 of the General Conditions and (2) reports and drawings of a Hazardous Environmental Condition, if any, at the site which has been identified in the Special Provisions as provided in Paragraph 4.06 of the General Conditions. Contractor acknowledges that such reports and drawings are not Contract Documents and may not be complete for Contractor's purposes. Contractor acknowledges that Owner and Engineer do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the site.

- E. Contractor has obtained and carefully studied (or assumes responsibility for having done so) all such additional supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise, which may affect cost, progress, performance or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor including applying the specific means, methods, techniques, sequences and procedures of construction, if any, expressly required by the Contract Documents to be employed by the Contractor, and safety precautions and programs incident thereto.
- F. Contractor does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has correlated the information known to Contractor, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies and data with the Contract Documents.
- I. Contractor has given Engineer written notice of all conflicts, errors, ambiguities or discrepancies that Contractor has discovered in the Contract Documents and the written resolution thereof by Engineer is acceptable to Contractor.
- J. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 9 - CONTRACT DOCUMENTS

9.01 *Contents*

- A. The Contract Documents consist of the following:
 - 1. This Agreement (Pages 1 to 8, inclusive).
 - 2. Performance bond
 - 3. Payment bond
 - 4. Standard General Conditions (MPWSS).
 - 5. Supplementary Conditions (MPWSS).
 - 6. Special Provisions
 - 7. Specifications as listed in the Table of Contents of the Project Manual.
 - 8. Drawings consisting of sheets numbered G-1 through E-2 with each sheet bearing the following general title: WWTP Sludge Dewatering Facilities dated August 2018.

9. Addenda (Numbers 1 to 5, inclusive).
 10. Wage Rates
 11. Exhibits to this Agreement (enumerated as follows):
 - a. Notice to Proceed (Pages 1 to 1, inclusive).
 - b. Contractor's Bid (Pages 1 to 8, inclusive).
 - c. Notice of Award
 12. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:
 - a. Written Amendments
 - b. Work Change Directives
 - c. Change Orders
 - d. Any Notice of Partial Utilization
 - e. Notice of Substantial Completion
 - f. Lien Waivers
 - g. Notice of Final Completion and Acceptance
 13. Certificates of Insurance
- B. There are no Contract Documents other than those listed above in this Article 9.
- C. The Contract Documents may only be amended, modified, or supplemented as provided in Paragraph 3.04 of the General Conditions.

ARTICLE 10 - MISCELLANEOUS

10.01 Terms

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 Assignment of Contract

- A. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 Successors and Assigns

- A. Owner and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 *Severability*

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

IN WITNESS WHEREOF, Owner and Contractor have signed 3 copies of the Agreement. One has been delivered to Owner, one to Contractor and one to Engineer. All portions of the Contract Documents have been signed or identified by Owner and Contractor or by Engineer on their behalf.

This Agreement will be effective on _____ (which is the Effective Date of the Agreement).

OWNER:

Thomas C Nelson
Signature

By: THOMAS C NELSON

Title: MAYOR

Attest: Bethany Langre
Signature

By: Bethany Langre

Title: Clerk/Treasurer

Address for giving notices:
P.O. Box 10, Laurel, MT 59044
Phone No.: 406-628-7431
Fax No.: 406-628-2289

CONTRACTOR:

Signature

By: _____

Title: _____

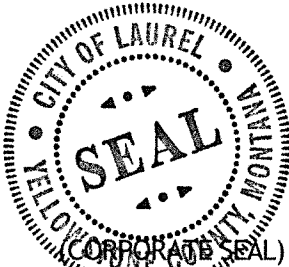
Attest: _____
Signature

By: _____

Title: _____

Address for giving notices:

Phone No.: _____
Fax No.: _____
License No.: _____



(If OWNER is a public body, attach evidence authority to sign and resolution or other documents authorizing execution of Owner - Contractor Agreement.)

(SEAL)

Contractor Registration No. of _____

Agent for service of process:

(If CONTRACTOR is a corporation or a partnership, attach evidence of authority to sign.)

Owner's Designated Representative:

Name: Kurt Markegard

Title: Public Works Director

Address: P.O. Box 10, Laurel, MT 59044

Phone No.: 406-628-4796

FAX No.: _____

Contractor's Designated Representative:

Name: _____

Title: _____

Address: _____

Phone No.: _____

FAX No.: _____

END OF SECTION



2611 Gabel Road
Billings, MT 59102-7329
406 245 5499
KLIENG.COM

October 17, 2018

Kurt Markegard
City of Laurel
115 W. 1st Street
Laurel, MT 59144

Re: WWTP Sludge Dewatering Facilities Project – Recommendation of Award

Dear Kurt:

Two lump sum bids for the WWTP Sludge Dewatering Facilities Project were received, opened, and read aloud on October 15, 2018. The first bid, from Dick Anderson Construction, was for \$1,748,000.00 and the second bid, from Strategic Construction Solutions, was for \$1,575,000.00. The bids were checked for mathematical accuracy and no discrepancies were found.

The bid from Dick Anderson Construction included a bid bond that appeared to be valid, all addendums were acknowledged, and the included Montana Contractor's Registration Number was valid. On the bid from Strategic Construction Solutions, the bid bond was included and appeared to be valid and all addendums were acknowledged. The Contractor's Registration Number on the bid from Strategic Construction Solutions was not valid. A Montana Contractor's Registration Number was not a requirement to bid the project and is considered an irregularity. A valid Montana Contractor's Registration Number will be required prior to the execution of the Agreement.

As the apparent low bidder, KLJ requested and checked references for Strategic Construction Solutions (SCS). We spoke to Tetra Tech in Denver, Colorado (720-881-5821) on October 16, 2018. SCS did two water treatment plant projects with them. One of the projects, was a \$2M project completed in December of 2017 that included the commissioning of two water treatment trains, each 1600-gpm. The second project was a \$263,000 fire suppression piping system completed in October 2017. Both projects were in the Questa, NM water treatment plant. They said that they would recommend SCS for plant work. We also spoke to EHT Engineering in Abilene, Texas (325-698-5560) on October 17, 2018 regarding work Strategic Construction Solutions did in the Midland, Texas water treatment plant. This \$1.4M project, currently being closed out, included chemical system improvements. The project turned out well and SCS were good to work with, responsive and kept good records. SCS used local subs and there were some issues with the local concrete sub. Overall, EHT Engineering was happy with SCS. On October 17, 2018 we contacted Florence Copper in Florence, Arizona (520-840-8125) where SCS is completing a \$7.8M copper processing pilot facility. They indicated that SCS was well organized and that they were happy with the project. We attempted to contact other references but were unable to reach them.

The apparent low bidder is Strategic Construction Solutions of Mesa, Arizona and we recommend the contract be awarded for the Base Bid of \$1,575,000.00. Enclosed is the Notice of Award for the City's



review and execution. Please sign and return the Notice of Award to KLJ and we will coordinate with Strategic Construction Solutions to route final Contract Documents for the City's approval.

We have also attached a copy of the Agreement for your review that will be sent to the Contractor for execution and a Certified Tabulation of Bids for your records. If you have any questions or concerns, please contact me at (406) 247-2913.

Sincerely,

KLJ

A handwritten signature in black ink, appearing to read 'Douglas C. Whitney'.

Douglas C. Whitney, PE
Project Manager

Enclosure(s): Notice of Award
Agreement
Tabulation of Bids

Project #: 1804-00120

cc: KLJ File

