



DEPARTMENT OF
**PUBLIC
WORKS**

Date: August 11, 2026

To: Utilities Committee

From: Peter Neuberger, City Engineer/Deputy Director of Public Works
Luke Vandenberg, Project Engineer

Subject: Informational Item: Bid rejection and No Award of Contract for Unit J-26 Mini Storm Sewer

The Department of Public Works recommended rejection of the sole bid received for the J-26 Mini Storm Sewer project due to insufficient budgeted funds relative to the bid amount and concerns regarding overall cost reasonableness, including elevated unit prices compared to recently completed comparable projects. This rejection was recommended for approval at the June 22, 2026, Finance Committee meeting, and approved for rejection at the July 15, 2026, Common Council meeting.

Bids were publicly opened on Monday, June 15, 2026. Only one bid was received, as summarized below:

<u>Bidder</u>	<u>Bid Amount</u>
Carl Bowers & Sons Construction Co., Inc.	\$347,720.00

The approved 2026 budget for this project is \$250,000.00. The bid received exceeds the available budget by \$97,720.00.

In addition to exceeding the available budget, staff review identified unit price increases relative to similar recently completed City projects, contributing to concerns regarding overall cost reasonableness and competitiveness of the bid.

Given the budget shortfall, limited competition, and cost reasonableness concerns, staff recommended rejecting the bid in the best interest of the City.

It was further recommended that project funds be carried forward into the 2027 budget and that the project be re-bid in 2027 with a revised scope and/or construction phasing strategy to better align the project with available funding while still achieving the City's original project objectives.

Property owners that requested mini sewer installations have been notified via mail that there will be no project during the 2026 construction season and that their properties will be added to the next mini sewer project, currently scheduled for the 2027 construction season.