

CITY OF RAPID CITY



Engineering Division

300 Sixth Street

Rapid City, SD 57701-2724

Telephone: (605) 394-4154

FAX: (605) 394-6636

E-mail: david.lafrance@rcgov.org

Direct Phone: (605) 394-5377 Ext. 220

MEMORANDUM

TO: Heidiway Lane Sanitary Sewer Extension Project (SS01-1061)
Property Owners

FROM: Dave LaFrance, Project Manager

SUBJECT: Status of Project

DATE: May 6, 2004

On April 28, 2004 bids were received and opened from a number of qualifying contractors. A recommendation to not award the construction contract has been referred to the May 11th, 1:30 P.M. Public Works committee meeting for further discussion.

After visiting with Public Works and Finance Staff, it is City Engineering Division's recommendation that the bid not be awarded at this time. It is first necessary that the City secure construction easements for the off-site sewer improvements (east side of Sheridan Lake Road) and that the private development across the street (Fairway Hills property) move forward with construction of their portion of the sewer. This portion of the sewer is needed before you can derive any benefit from installing the portion that you are responsible for. These conditions could be met as early as this summer or fall. At that time the assessed project would be re-advertised and re-bid.

For your information, the apparent low bidder is higher than the Engineer's estimate provided by the Consultant. The Resolution of Necessity passed by City Council on August 4, 2003 was based upon a total project cost estimate of \$82,867.00. However, the overall project estimate now stands at \$102,907.00. This updated estimate assumes that the Development proposed on the east side of Sheridan Lake Road will provide the connecting link for the sewer main, and that up to \$26,250.00 of the total project cost will be recovered from off-site connection fees to be collected from benefiting properties that tie on in the future. Your portion of the assessment with the current low bid received would be in the range of \$12,224.50 to \$11,474.50. However, your portion of the assessment will be based on the actual bids received late this summer or early fall. Please contact me if you have questions.



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