ITEM # 29 DATE February 26, 2008

COUNCIL ACTION FORM

<u>SUBJECT</u>: WATER POLLUTION CONTROL FACILITY TRICKLING FILTER BUILDING HVAC HEAT RECOVERY UNIT

BACKGROUND:

The City's Water Pollution Control (WPC) Facility has a heat recovery unit on the trickling filter building. When the building is occupied, several air exchanges per hour must occur. The air exchanges draw in outside air or "make-up" air. However, in the winter, the make-up air significantly reduces the temperature of the building, affecting the equipment and the staff working inside. Typically, an HVAC system uses a heater to warm the incoming air. A heat recovery unit (HRU) uses a heat exchanger to increase the temperature of the incoming air with the heat from the air that is ventilated or released. The current HRU is no longer working properly. A more energy-efficient replacement fits well into the City of Ames Cool Cities vision.

Plans and specifications were prepared by Brewer Engineering. On January 22, 2008, City Council authorized preliminary approval of these plans and specifications and Notice to Bidders.

On February 14, 2008, bids were opened for this project. A summary of all bids follows:

	Bid Amount
C&K Heating, Air Conditioning & Plumbing	\$84,060.00
Foley Company	\$102,100.00

The apparent low bidder is C&K Heating, Air Conditioning and Plumbing with a bid price of \$84,060. This project was originally included in the 2006-2011 CIP as part of the WPC Plant Equipment Project at \$75,000. When budget amendments were made in late 2006, \$50,000 in savings from another CIP project was transferred to this HVAC project, bringing the total available funding to \$125,000. The total project budget is as follows:

Engineering	\$17,300
Construction	\$84,060
Contingency (15%)	\$12,640
Total Estimated Project Cost	\$114,000

Upon Council approval, this project will begin in late March and is scheduled for completion by June 30, 2008.

ALTERNATIVES:

- 1. Award a contract to C&K Heating, Air Conditioning and Plumbing in the amount of \$84,060.
- 2. Reject bids and do not award contract at this time.

MANAGER'S RECOMMENDED ACTION:

The existing heat recovery unit at the tricking filter building is not functioning as necessary to maintain building temperature. It is in the city's best interest to remove and replace the heat recovery unit to protect the equipment and provide appropriate working conditions for staff. Replacing the heat recovery system is the most energy efficient and cost effective option available at this time.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the contract to C&K Heating, Air Conditioning, and Plumbing.