

**COUNCIL ACTION FORM**

**SUBJECT: WATER TREATMENT PLANT WELL REHABILITATION PROJECT**

**BACKGROUND:**

On March 6, 2007, City Council approved plans and specifications for the Water Treatment Plant Five-year Well Rehabilitation Project. This long-term plan allows rehabilitation of the utility's drinking water wells on a five-year preventive cycle, rather than waiting until wells are unable to produce adequate water volumes. The intent of the five-year cycle is to ensure that the current wells maintain their capacity for as long as possible, thus postponing the need to construct new potable supply wells.

The project plans and specifications detailed the rehabilitation process and timeline to be used for the five-year rehabilitation cycle. The specifications called for a one-year contract with a possibility of four, one-year renewal options. The fourth year of the existing contract will expire June 30, 2011. A formula based on the Consumer Price Index is used to adjust prices for each renewal year's contract period. Contract renewals are based on satisfactory performance during prior years and on the City Council's appropriation of funds.

Northway Well and Pump Company of Waukee, Iowa was the low bidder for the original one-year contract that expired June 30, 2008. They were also awarded subsequent contracts for the second, third, and fourth years of the five-year contract. Northway's performance the past four years has been deemed satisfactory by City staff. The cost of the fifth and final year of the contract, which includes wells No.s 17, 25, 26, and 27, to be completed by June 30, 2012, totals \$54,460.

As in the previous four years, staff anticipates repairs will be required in conjunction with the rehabilitation of these wells. The extent of the repair work will not be known until the wells are taken out of service and disassembled. The bidder has included unit prices for common repair components with the bid. Where appropriate, these bid unit prices will be used to calculate payment for well repair work. All well repair costs will be addressed through change orders at the completion of work on each well.

New rules regulating the disposition of fluids generated during well drilling and rehabilitation were issued by the Iowa Department of Natural Resources (IDNR) on March 17, 2010. The rules, known as General Permit No. 6, require a project plan to be submitted to the IDNR, as well as for inspection during the work. It is possible that this requirement could add cost to develop a plan for each well, although staff has been producing these plans internally thus far. Costs would be incurred for consulting should the need arise. Staff is confident that the cost of consulting services will not exceed previously budgeted amounts.

The 2011-12 Water Treatment Plant operating budget for well rehabilitation includes a total of \$60,000 to cover the fifth year of this contract, with an additional \$56,000 available for repair work as needed during these well rehabilitations.

**ALTERNATIVES:**

1. Award the fifth-year contract to Northway Well and Pump Company of Waukee, Iowa in the amount of \$54,460 for rehabilitation of five wells in FY 2011-12.
2. Do not award a contract at this time.

**MANAGER'S RECOMMENDED ACTION:**

Regular maintenance of the City's potable water wells is vital to ensure adequate water volume to meet the City's current and future drinking water needs. It is in the City's best interest to maintain the wells by setting up a five-year well rehabilitation cycle.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a \$54,460 contract to Northway Well and Pump Company to implement the fifth year of the five-year well rehabilitation cycle.