

COUNCIL ACTION FORM

SUBJECT: AWARD OF CONTRACT FOR FIVE-YEAR WATER TREATMENT PLANT WELL REHABILITATION PROJECT

BACKGROUND:

On June 12, 2012, City Council approved plans and specifications for the Water Treatment Plant Five-Year Well Rehabilitation Project. This project continues the practice of rehabilitating the drinking water wells in a preventive maintenance cycle instead of waiting until the wells are unable to produce adequate water volumes.

The project plans and specifications detail the rehabilitation process and timeline to be used for the five-year rehabilitation cycle. The specifications call for a one-year contract with the possibility of four, one-year renewal options. The initial contract will be effective through June 30, 2013. A Consumer Price Index will be used to adjust the contract price for each subsequent contract renewal. Future year renewals will be based on satisfactory performance during the prior year and on the City Council appropriating funds.

A total of three bids were received for this contract on July 11, 2012. A copy of the bid tabulation is attached. The apparent low bidder is Northway Well and Pump Company of Marion, Iowa with a total five-year bid price of \$319,000. The first year of the contract, which includes work to be completed by June 30, 2013, totals \$72,500. Staff also anticipates that well repairs will be required in conjunction with the rehabilitation work. The extent of the repair work will not be known until the wells are taken out of service for the rehabilitation. Well repair costs will be addressed through change orders at the completion of work on each well. The Water Treatment Plant operating budget for well rehabilitation includes a total of \$75,000 to cover the first year of the contract (FY 2012-13), with an additional \$35,000 for repair work.

ALTERNATIVES:

1. Award the first-year contract to Northway Well and Pump Company of Marion, Iowa in the amount of \$72,500.
2. Do not award the contract at this time.

MANAGER'S RECOMMENDED ACTION:

Regular maintenance of the city's potable water wells is required 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 continuing to rehabilitate the wells in a five-year cycle. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a \$72,500 contract to Northway Well and Pump Company to implement the first year of the five-year well rehabilitation cycle.

CITY OF AMES, IOWA	Total Mobilization Costs:	Total Well Cleaning Costs:	Total Amount for Mobilization and Cleaning:
Ph: 515-239-5125 * Fax: 515-239-5325 Mike Adair, Procurement Specialist			
Bid No. 2012-227			
Water Treatment Plant			
Five-Year Well Rehabilitation Project			
B I D D E R S			
The Northway Corporation	N/A	N/A	\$319,000.00
Cahoy Pump Service, Inc.	\$26,925.00	\$497,050.00	\$523,975.00
Layne Christensen Co.	\$60,150.00	\$541,200.00	\$601,350.00