

COUNCIL ACTION FORM

SUBJECT: WATER POLLUTION CONTROL FACILITY DIGESTER IMPROVEMENTS

BACKGROUND:

The City's Water Pollution Control (WPC) Facility began operations in 1989 and utilizes two primary digesters and one secondary digester to treat and store biosolids prior to disposal by land application. The digester mixing systems, various valves, and sections of piping have nearly reached the end of their useful lives and are in need of replacement.

On July 22, 2014, Council approved plans and specifications and issued a Notice to bidders to purchase and install the replacement mixing system, to replace select valves and piping, and to repaint the interiors of the digesters. On August 27, 2014, project bids were opened. Two bids were received and are summarized below:

Bidders	Bid
Ericksen Construction Co., Inc.	\$1,615,750
Woodruff Construction, LLC	\$1,717,300

The engineer's estimate for the work associated with this portion of the capital improvements project is \$1,507,000. The higher bid price was likely due to the complicated nature of painting the interior of the secondary digester which has a floating gas cover and may need to be removed and reattached as part of this project.

The work in this award is part of a larger Capital Improvements Plan project for rehabilitation and improvements to the digesters. The current cost summary for this project is as follows:

Budget

FY 13/14	\$ 889,000
FY 14/15	880,000
FY 15/16	1,089,000
TOTAL	\$2,858,000

Estimate

Digester Cleaning	\$ 222,213
Engineering	90,400
Construction (This action)	1,615,750
Contingency	73,437
Additional Work yet to be bid	847,200
TOTAL	\$2,858,000

Staff will be reviewing the cost estimate for the remaining work to be bid in FY 15/16 as part of the next Capital Improvements Plan update. That work includes painting of the piping and repainting the exterior of the digester covers. If a revision to the budget is needed, it will be presented in context with other CIP projects. Funding for this project comes from the Sanitary Sewer Fund.

ALTERNATIVES:

1. Award a contract for the WPC Facility Digester Improvements project to the low bidder, Ericksen Construction Co, Inc., of Blair, Nebraska, in the amount of \$1,615,750.
2. Award a contract to the other company submitting a bid.
3. Take no action on bids at this time. The delay could impact overall operation of the WPC Facility, and equipment failure could impact daily operations and the safety of plant personnel.

MANAGER'S RECOMMENDED ACTION:

The digester mixing systems and various valves and sections of piping are approaching the end of their useful service lives. Replacement of the equipment is necessary to ensure that the WPC Facility remains operational and properly treats wastes in compliance with its NPDES discharge permit. Competitive bidding has identified the best price currently available for the project.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving award of the contract for construction of the WPC Digester Improvements project to Ericksen Construction Co., Inc., of Blair, Nebraska, in the amount of \$1,615,750.