

COUNCIL ACTION FORM

SUBJECT: REPLACEMENT OF POWER PLANT COOLING TOWERS

BACKGROUND:

On January 30, 2015, City Council approved preliminary plans and specifications for the Cooling Tower Replacement project. This project is for a contractor to demolish the existing Power Plant cooling towers and to supply and erect new fiberglass towers on the existing concrete basins.

Bid documents were issued to thirty-two companies. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published in the Ames Tribune. The bid was also sent to three plan rooms.

On March 4, 2015, four bids were received as shown below.

| BIDDER | LUMP SUM COST |
|---|----------------------|
| Evaptech, Inc. Lenexa, KS | \$2,810,000 |
| Cooling Tower Depot, Inc. Golden, CO | \$2,818,293 |
| International Cooling Tower USA, Inc. Edmonton, AB | \$3,435,000 |
| SPX Overland Park, KS | \$4,168,887 |

Staff reviewed the bids and concluded that the apparent low bid submitted by Evaptech, Inc. of Lenexa, KS in the amount of \$2,810,000 is acceptable.

The engineer's estimate for this project is \$3,485,000. The Capital Improvements Plan has \$125,000 in FY2014/15 for engineering and \$3,875,000 in FY2015/16 for materials and labor.

ALTERNATIVES:

1. Award a contract to Evaptech, Inc. of Lenexa, KS, for the Cooling Tower Replacement in the amount of \$2,810,000.
2. Reject all bids which will delay the replacement of the Cooling Towers.

MANAGER'S RECOMMENDED ACTION:

Multiple outside evaluations have confirmed that this project is necessary to restore the integrity and efficiency of the Power Plant's cooling towers. If the cooling towers are not replaced this coming year, the risks of catastrophic failure will increase significantly. Should that happen, electricity production would stop.

The bids received were very competitive, and the lowest responsive bid is significantly below the engineer's estimate. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.