

COUNCIL ACTION FORM

SUBJECT: WATER POLLUTION CONTROL FACILITY – REPLACEMENT OF MAKE-UP AIR UNIT AND HEAT RECOVERY UNITS

BACKGROUND:

This project includes replacement of the following four heating and ventilation units at the Water Pollution Control (WPC) Facility:

- Raw Water Pump Station (RWPS) grit alley make-up air unit
- Solids Contact Building heat recovery units (2)
- Digester Complex heat recovery unit

The make-up air unit serving the RWPS grit alley is used to provide ventilation and seasonal heating to the space. The grit alley can develop a hazardous atmosphere, and the make-up air unit ensures that WPC staff can safely access the space at all times. The Solids Contact and Digester heat recovery units provide the necessary heat in the winter months to maintain an appropriate temperature for the equipment. The make-up air unit and heat recovery units were last replaced in 1996 and have reached the end of their useful lives.

The first three units are included in the 2014/15 Capital Improvements Plan (CIP) as part of the WPC Mechanical and HVAC Replacements Project at \$118,000. The fourth unit is included in the 2015/16 CIP at \$220,000. In an effort to improve efficiency of design and to make an attractive project for bidding, staff has bundled all four units together into a single bid package.

On March 24, 2015, Council issued a Notice to Bidders to replace these units. Bids were opened on April 16, 2015. Only one bid was received from Mechanical Comfort, in the amount of \$297,141. This compares to the Engineer's Estimate of \$273,000.

Veenstra & Kimm, Inc. (V&K) was previously awarded a contract in the amount of \$23,560 for engineering services to design all four units.

Projected costs and the project budget are shown below.

<u>Project Costs</u>	
Engineering	\$ 23,560
Construction	\$297,141
Contingency (5%)	\$ 14,857
Total	<u>\$335,558</u>

Project Budget

FY 14/15 Engineering (\$35,000) and Construction (\$83,000)	\$118,000
<u>FY 15/16 Construction</u>	<u>\$220,000</u>
Total	\$338,000

The total project cost including engineering and contingency is \$335,558. This is slightly below the total budgeted amount of \$338,000.

While having hoped for more bids, staff is very confident in Mechanical Comfort’s ability to complete this work, as they have successfully completed previous contracts for replacing HVAC equipment at the WPC Facility.

ALTERNATIVES:

1. Award the make-up air unit and heat recovery units replacement contract to Mechanical Comfort of Ames, Iowa in the amount of \$297,141.
2. Do not award a contract at this time; and provide direction to staff to either rebid the work to attempt to solicit additional bids, or to suspend the project.

MANAGER’S RECOMMENDED ACTION:

The WPC Facility’s Raw Water Pump Station grit alley and Solids Contact Building Make-up Air Units and the Digester Complex’s Heat Recovery Units are essential to the operations and maintenance needs of the Facility. There are long lead times for fabrication of this equipment. It is important that the project remain on schedule to allow for replacement before the fall heating season begins.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.