

COUNCIL ACTION FORM

SUBJECT: WATER POLLUTION CONTROL FACILITY DIGESTER IMPROVEMENTS, PHASE II PROJECT

BACKGROUND:

A comprehensive evaluation of the mechanical condition of the Water Pollution Control Facility was performed in 2012. The end product of that evaluation was a prioritized schedule for the repair or replacement of key mechanical equipment. Based on that prioritized plan, funds were designated in the Capital Improvements Plan (CIP) to address mechanical systems in the Digester Complex. On May 9, 2017 the City Council awarded a contract for engineering services to Strand Associates, Inc. of Madison, Wisconsin, for design of the Water Pollution Control Facility (WPCF) Digester Pump, Piping, and Valve Replacement Project.

During preliminary design, Strand reviewed the applicable building code requirements related to the digester complex along with standards set by the National Fire Protection Association (NFPA) for wastewater treatment plants (NFPA Standard 820). The overall goal of these standards is to improve workplace safety by providing protection against fire and explosive hazards. The Digester Complex was originally designed and constructed in accordance with the building codes that were in place at the time. **Based on Strand's review, however, the complex does not comply with current NFPA and National Electric Code (NEC) requirements. The FY 18/19 CIP provided additional funding to allow the deficiencies to be corrected as a part of the mechanical improvements project.**

This project is a consolidation of a number of smaller projects identified in the Capital Improvements Plan over a period of several years. A summary of the authorized project budget is show below.

FY 17/18 CIP + Prior Year Carryover	\$ 1,795,818
Pump Room Pipes & Valves	
Primary Pumps	
Secondary Pumps	
Digester Lid Painting	
FY 17/18 Actual Expenses	- 148,319
FY 18/19 Adopted CIP	2,600,000
Gas Piping & Safety Equipment	
Repaint Pump Room	
NFPA Code Upgrades	
<hr/> Total Available Budget	<hr/> \$ 4,247,499

On August 28, 2018, Council issued a Notice to Bidders for the Digester Improvements Phase II Project. Bids were opened on September 26, 2018. Four bids were received and are summarized below:

Bidder	Total Project Bid Price
Shank Constructors, Inc.	\$2,165,200
Story Construction Co.	\$2,671,000
Rice Lake Construction	\$2,808,400
Henkel Construction	\$2,825,000
<i>Engineer's Estimate (w/ 10% Contingency)</i>	<i>\$3,240,000</i>

Shank Constructors, Inc. is the lowest responsible bidder. Staff has worked with Shank Constructors, Inc. before and has made several reference calls to ensure the contractor is capable of the work and confirmed that Shank is comfortable with their bid amount given the difference between their bid and the second lowest bid. Staff feels confident in their ability to perform the work and recommends awarding them the project.

The revised project costs based on this bid award are as follows:

Engineering fees	\$ 515,700
Construction	\$ 2,165,200
Contingency (20%)	\$ 433,100
Total project cost	\$ 3,114,000

ALTERNATIVES:

1. Award a contract for the Digester Improvements Phase II Project to Shank Constructors, Inc. of Minneapolis, Minnesota, in the amount of \$2,165,200.
2. Do not award contract at this time.

CITY MANAGER'S RECOMMENDED ACTION:

Equipment (piping, valves, and pumps), coatings, and fire protection safety features associated with the digester complex have reached the end of their useful life. To ensure that the Water Pollution Control Facility remains operational, these upgrades are necessary. Staff has reviewed the bid amount and feels confident in the ability of the contractor to perform the required work.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative 1 as described above.