

**COUNCIL ACTION FORM**

**SUBJECT: REFUSE DERIVED FUEL STORAGE BIN REPAIR PROJECT  
REPORT OF BIDS**

**BACKGROUND:**

On August 28, 2018 the City Council approved plans and specifications for the RDF Storage Bin Repair Project. The Refuse Derived Fuel Storage Bin receives fuel from the City's Resource Recovery Plant after it converts municipal solid waste (MSW) into refuse derived fuel (RDF). The RDF Storage Bin provides storage for the RDF and provides the method of transport and metering of the RDF to the Power Plant's boilers.

The existing RDF Storage Bin has been in service since 1996. The bin was primarily constructed of COR-TEN steel, a weathering steel designed to initially rust and build up an oxide layer that then prevents further rusting of the steel from occurring. The use of COR-TEN steel to construct the RDF Storage Bin has proven to be problematic where the COR-TEN steel is in regular contact with the RDF. The RDF removes the oxide layer meant to protect the steel underneath, causing the exposed steel to rust anew. This cycle repeated over and over eventually removes enough steel that it deteriorates the walls of the bin to the point that they need to be repaired or replaced. The RDF Storage Bin has reached the point that the containment's confining walls are in dire need of being replaced and certain structural steel supports need to be repaired or replaced.

Bid documents were issued to fifty-one firms and three plan rooms. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published on the websites of a contractor plan room service with statewide circulation and the Iowa League of Cities.

**On December 5, 2018, three bids were received as shown on the attached report. The specifications and bids are quite complex, and staff feels that additional time is needed to evaluate each bid in order to recommend an award that best meets the City's needs.**

Funding for this project in an amount of \$2,800,000 is included in the Council-approved Capital Improvements Plan for FY 2017/18.

**ALTERNATIVES:**

1. Accept the report of bids and delay award for the RDF Storage Bin Repair Project.

2. Award a contract to the apparent low bid.
3. Reject all bids and direct staff to rebid.

**MANAGER'S RECOMMENDED ACTION:**

Staff needs additional time to fully evaluate the bids before recommending action by the City Council. By choosing alternative No. 1, staff will have enough time to evaluate each bid to ensure the City receives these services at the best price. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.



BIDDER:

**ITB 2019-005 RDF STORAGE BIN REPAIR PROJECT BID SUMMARY**

	<b>ICON Industrial Services Cedar Rapids, IA</b>	<b>TEI Construction Services, Inc. Duncan, SC</b>	<b>The Boldt Company Appleton, WI</b>
<b>BASE BID:</b>			
Supply all materials, and provide all labor and equipment necessary to perform the project as specified in the Base Bid.	\$2,292,950.00	\$3,337,050.00	\$4,937,023.00
Sales and/or Use taxes included in LS Cost	\$62,463.73	\$112,783.00	\$196,653.00
Price Adjustment (+/-) for warranty of two (2) years in lieu of one (1) year:	\$15,000.00	\$0.00	\$0.00
<b>OPTION BID No. 1:</b>			
Supply all materials, and provide all labor and equipment necessary to perform the project as specified in OPTION BID No. 1.	\$1,960,795.00	\$2,844,745.00	\$4,518,336.00
Sales and/or Use taxes included in LS Cost	\$44,797.34	\$85,987.00	\$168,136.00
Price Adjustment (+/-) for warranty of two (2) years in lieu of one (1) year:	\$15,000.00	\$0.00	\$0.00
<b>ALTERNATIVE BID No. 1:</b>			
Overlay the existing concrete floor of the RDF Storage Bin with stainless steel floor plate as specified in ALTERNATE BID No. 1.	\$220,977.00	\$399,382.00	\$219,296.00
Sales and/or Use taxes included in LS Cost	\$6,678.00	\$11,000.00	\$10,196.00
Price Adjustment (+/-) for warranty of two (2) years in lieu of one (1) year:	\$2,000.00	\$0.00	\$0.00