

COUNCIL ACTION FORM

SUBJECT: BAKER SUBDIVISION GEOTHERMAL HEAT PUMP SYSTEM – DELAY OF BID DUE DATE

BACKGROUND:

On September 22, 2020 Council approved the preliminary plans and specifications for the District Geothermal Vertical Closed Loop Project at Baker Subdivision and set October 14, 2020 as the bid due date and October 27, 2020 as the date of hearing and award of contract.

The geothermal system would provide space heating and cooling and boost water heating efficiency for all the homes in the subdivision. This project proposal was motivated by an effort to advance environmental sustainability of the subdivision developed by the City, while maintaining affordable utility costs for the mixed-income neighborhood. The system would help to balance the seasonal load and utilization of existing electric infrastructure and reduce community greenhouse gas emissions.

A pre-bid meeting was held on September 29th with low attendance. Prospective contractors were contacted to determine ways in which the bid could attract more bidders and more competitive bids. Contractors' concerns included insufficient time to prepare bids and to complete the project in the proposed timeline. It is in the City's best interest to extend the bid due date and project completion date to allow interested bidders the necessary time to gather information for quality, comprehensive bids and complete the project.

ALTERNATIVES:

1. Approve due date and project completion date changes for the Baker Subdivision Geothermal Heat Pump System and set October 21, 2020 as the new bid due date, and June 1, 2021 as the project completion date. October 27th will remain at the date of award.
2. Do not modify the dates and leave them as currently established with the bid due date of Oct 14, 2020 and project completion date of March 15, 2020.

CITY MANAGER'S RECOMMENDED ACTION:

Extending the two due dates will allow the potential bidders the time needed to prepare a complete bid package and likely improve the quality and pricing of the bids the City receives.

Therefore, it is the recommendation of the City Manager that the Council approve Alternative #1 as stated above.