

COUNCIL ACTION FORM

SUBJECT: 2017/18 WATER SYSTEM IMPROVEMENTS PROGRAM #2 – (KELLOGG AVENUE AND 18TH STREET)

BACKGROUND:

The Water System Improvements program provides for replacing water mains in areas that are experiencing rusty water problems. It also provides for installing larger distribution mains in areas that have a high concentration of 4" supply lines, transferring water services from 4" water mains in streets where larger water mains exist, and abandoning 4" water mains. Eliminating duplicate water mains, where possible, improves water flow and helps reduce rusty water. Installing larger distribution lines in areas that have a high concentration of 4" supply lines and less than desirable fire-fighting capacity (predominantly in the older areas of the community) provides larger supply quantities in relation to the current and proposed land uses, in accordance with the Land Use Policy Plan.

This project is for water service transfers on Kellogg Avenue (24th Street to 28th Street) and 18th Street (Clark Avenue to Burnett Avenue).

On March 21, 2018, bids for the project were received as follows:

<i>Bidder</i>	<i>Bid Amount</i>
Engineer's estimate	\$692,104.50
Keller Excavating	\$526,619.70
Ames Trenching	\$580,013.00
J&K Construction	\$696,969.69
GM Contracting	\$734,464.27
Synergy Contracting	\$776,923.32

Engineering and administration costs are estimated to be \$103,815.68 bringing the total estimated project costs to \$630,435.38.

In addition to the **\$630,435.38** shown above, approximately **\$402,500** will be utilized for water main replacements with the 2017/18 Arterial Street Pavement Improvements Program on 13th Street from Ridgewood Avenue to Harding Avenue. This brings **overall 2017/18 program costs to \$1,032,935.38**. The 2017/18 Water System Improvements are shown in the Capital Improvements Plan with **\$1,300,000 in overall funding**.

ALTERNATIVES:

1. a. Accept the report of bids for the 2017/18 Water System Improvements Program #2 – Water Service Transfer (Kellogg Avenue and 18th Street).

b. Approve the final plans and specifications for this project.

c. Award the 2017/18 Water System Improvements Program #2 – Water Service Transfer (Kellogg Avenue and 18th Street) to Keller Excavating in the amount of \$526,619.70.
2. a. Accept the report of bids for the 2017/18 Water System Improvements Program #2 – Water Service Transfer (Kellogg Avenue and 18th Street).

b. Reject award and direct staff to modify the project for a future bid letting.
3. Do not proceed with the project at this time.

MANAGER'S RECOMMENDED ACTION:

By awarding this project, it will be possible to move forward and improve the reliability of the water system and improve water quality for our citizens in these areas.

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