

COUNCIL ACTION FORM

SUBJECT: AWARD YEAR TWO OF WATER PLANT WELL REHABILITATION CONTRACT

BACKGROUND:

On May 9, 2017, City Council awarded a well rehabilitation contract to Northway Well and Pump Company of Waukee, Iowa. The contract provided for the rehabilitation of five water supply wells in FY 2017/18. The contract offers an option for up to four annual renewals to rehabilitate additional wells over the next four years. The first year of the five-year contract was successfully completed, and staff is asking Council to approve Year Two of the contract, first renewal, with Northway Well and Pump Company. This will provide rehabilitation of an additional four wells in FY 2018/19.

The contract language utilizes a Consumer Price Index formula to adjust the contract price for each of the four renewal years. The cost of the first renewal will be \$79,400, which is a 1.79% increase over the first year. The Water Plant operating budget (FY 2018/19) allocated \$80,000 for the rehabilitation of City Well Nos. 9, 10, 13, and 21, with an additional \$20,000 for repairs if needed.

ALTERNATIVES:

1. Award Year Two of the contract to Northway Well and Pump Company of Waukee, Iowa in the amount of \$79,400 for rehabilitation of four wells in FY 2018/19.
2. Do not award a contract at this time.

MANAGER'S RECOMMENDED ACTION:

Regular maintenance of the City's potable water wells is required to ensure adequate water volume to meet the city's current and future drinking water demands. Staff has determined rehabilitation of wells on a five-year cycle to be an effective means of maintaining well production to meet those demands. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a \$79,400 contract to Northway Well and Pump Company to implement Year Two of the five-year well rehabilitation cycle.