

COUNCIL ACTION FORM

SUBJECT: WATER TREATMENT PLANT MAINTENANCE AND STORAGE BUILDING – REPORT OF BIDS

BACKGROUND:

During a past insurance inspection of the Water Treatment Plant, it was recommended to add a low-cost building to place all flammable lubricating grease and oils. A structure separated from the main facility would reduce the potential for a large dollar loss due to fire. To address this concern, a steel frame metal building is to be added at the plant site. This building will be 50 feet by 30 feet and include a heated storage bay to house all lubricating grease, oil, and other flammable products. Additionally, this building will house the facility's tractor, mowers, and other maintenance equipment in a cold storage bay. Storing these valuable items inside will help to prolong the life of the equipment.

This free-standing building was part of the original design for the new Water Plant, but was ultimately removed from the scope of the project because staff felt it could be done at a lower cost as a stand-alone project. This project is included in the FY 19/20 Water Treatment Plant Capital Improvements Plan at \$141,000 as part of the Water Treatment Plant Facility Improvements project.

On October 22, 2019, Council issued a notice to bidders for the construction of the maintenance and storage building at the Water Treatment Plant. On November 27, 2019, staff opened bids for the project. The three bids received are summarized below:

Bidder	Total Project Bid Price
<i>Cost Estimate</i>	\$ 115,000
Happe Commercial	\$ 152,800
Woodruff Construction	\$ 159,730
Jensen Builders	\$ 180,888

A question has been raised by another bidder about whether Happe Commercial meets the experience requirements included in the specifications. To allow time to verify their experience, staff recommends that Council simply receive the report of bids at this time. When the evaluation of the low bidders experience has been completed, staff will bring a recommendation for award to Council.

ALTERNATIVES:

1. Receive the report of bids for the Water Treatment Plant Maintenance and Storage Building. Do not award a contract at this time.
2. Award a contract for the Water Treatment Plant Maintenance and Storage Building to the apparent low bidder, Happe Commercial of Ankeny, Iowa, in the amount of \$152,800.
3. Take no action at this time at this time.

CITY MANAGER'S RECOMMENDED ACTION:

The addition of a maintenance building at the plant site will provide sufficient storage for all grease and oil products as recommended by the insurance provider. This structure will reduce the potential for a large dollar loss due to fire. In addition to flammable storage, this building will be used to store valuable maintenance equipment. Storing this equipment inside will help to reduce wear and prolong the life of the equipment.

An objection has been filed by a bidder, asserting that the apparent low bidder does not meet the experience requirement contained in the project specifications. Additional time is needed to further investigate and confirm the apparent low bidder's qualifications. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.