

**COUNCIL ACTION FORM**

**SUBJECT: ACCEPT COMPLETION OF YEAR THREE AND AWARD OF YEAR FOUR OF THE 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 offered optional annual renewals to rehabilitate additional wells over the next four years (for a maximum total of five years).

On April 23, 2019, City Council exercised the second option to award a contract to Northway Well and Pump Company of Waukee, Iowa, in the amount of \$80,716 to rehabilitate four of the City's 22 drinking water wells. This was Year Three of the possible five years. The Water Treatment Plant operating budget (FY 2019/20) allocated \$80,716 for the rehabilitation of four wells and an additional \$20,000 for any needed repairs. Additional repairs needed in this year's contract resulted in change orders totaling \$15,107. The cost to rehabilitate and repair four wells in this contract totaled \$95,823.

All work for this year's contract has been successfully completed as of April 23, 2020. An Engineer's Statement of Completion has been filed with the City Clerk. The contract is now ready for Council's final acceptance.

Staff is asking Council to approve Year Four of the contract with Northway Well and Pump Company. This will provide rehabilitation of four wells in FY 2020/21. The bid prices vary by well, as each well is slightly different (depth, diameter, length of screen, motor sizes, etc). The base prices were provided in 2017 with the original bid. Adjustments from the base bid are made using a Consumer Price Index (CPI) adjustment factor. The CPI factor used to adjust from the FY 17/18 bid to the FY 20/21 contract is 4.52%, yielding a contract price for FY 20/21 of \$82,987.56. The Water Plant operating budget (FY 2020/21) allocated \$83,540 for the rehabilitation of City Well Nos. 15, 17, 18, and 25, and an additional \$20,000 for additional repairs as needed.

**ALTERNATIVES:**

1. a.) Accept final completion of Year Three of the five-year Water Plant well rehabilitation contract in the amount of \$95,823.00, and  
  
b.) Award Year Four of the contract in the amount of \$82,987.56 for rehabilitation of four wells in FY 2020/21.

2. Accept final completion of Year Three of the five-year Water Plant well rehabilitation contract in the final amount of \$95,823.00 and do not award Year Four of the contract to Northway Well and Pump Company.

Under this alternative either the well rehabilitation project would be discontinued for a time or the staff would solicit new bids for the rehabilitation work.

**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.

A contract was awarded to Northway Well and Pump Company for FY 2017/18 that included an option for up to four annual renewals. Northway has performed effectively in the prior years' work. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting as complete the Year Three contract and approving a contract renewal to Northway Well and Pump Company to implement Year Four of the five-year well rehabilitation cycle in the amount of \$82,987.56.