

COUNCIL ACTION FORM

SUBJECT: AWARD YEAR FIVE 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 offered optional annual renewals to rehabilitate additional wells over the next four years (for a maximum total of five years). Well rehabilitation is an important maintenance activity to ensure proper functioning of the water wells and prevent premature well failure.

Staff is recommending approval of Year Five of the contract with Northway Well and Pump Company. This will provide rehabilitation of five wells in FY 2021/22. Adjustments from the base bid provided in 2017 are made using a Consumer Price Index (CPI) adjustment factor. The March CPI factor used to adjust from the FY 2017/18 bid to the FY 2021/22 contract is 7.61%, yielding a contract price for FY 2021/22 of \$104,923.37.

The FY 2021/22 Water Plant operating budget allocated \$106,845 for the rehabilitation of City Well Nos. 11, 12, 22, 26 and 27, and an additional \$27,500 for repairs as needed.

ALTERNATIVES:

1. Award Year Five of the contract in the amount of \$104,923.37 for rehabilitation of five wells in FY 2021/22.
2. Do not award Year Five of the contract, and direct staff to solicit new bids for the rehabilitation work.
3. Do not award Year Five of the contract, and direct staff not to pursue well rehabilitation for FY 2021/22. This could result in lowered capacity in the wells and potentially to premature failure of the well and its appurtenances.

CITY MANAGER'S RECOMMENDED ACTION:

Regular well maintenance is necessary to ensure water volumes meet the city's current and future drinking water demands. Staff has determined a five-year cycle of well rehabilitation to be an effective means of maintaining well production. The contract awarded to Northway Well and Pump Company 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, as described above.