

COUNCIL ACTION FORM

SUBJECT: PRELIMINARY APPROVAL OF PLANS AND SPECIFICATIONS AND NOTICE TO BIDDERS FOR THE DEMOLITION OF THE OLD WATER TREATMENT PLANT

BACKGROUND:

The final step in the transition to the new Water Treatment Plant is a project to demolish the old treatment facility. The new plant started operation in the fall of 2017, and it is time to demolish the old water treatment plant. Staff believes it is important to complete the demolition as soon as practical to prevent it from becoming an abandoned eyesore, or even worse a dangerous structure.

This project will demolish the filter building, chemical feed building, external treatment basins, administrative offices, and ¾-million-gallon ground reservoir. Improvements to the site distribution and raw water piping will be included in this project as well.

The high service pump station, two-million-gallon storage reservoir, and five-million-gallon storage reservoir are still in active use and will remain. The two-story Technical Services Complex, which is located directly north of the treatment plant and houses the Water Meter and Laboratory Services Divisions, will also remain.

On May 26, 2020, City Council awarded a contract to Strand, Inc. of Madison, WI, for design of the Old Water Treatment Plant Demolition. The final design is complete, and the Iowa Department of Natural Resources has issued a construction permit. Staff is ready to issue a Notice to Bidders for the demolition work. The engineer's estimate of probable construction costs is \$2,220,000. The total estimated project expense is outlined in the table below.

Estimated Total Project Expense:

| | |
|--|---------------------|
| Engineering | \$ 168,300 |
| Project administration, permitting, and asbestos assessment | 25,000 |
| Construction Cost Estimate (includes 10% Contingency) | <u>2,442,000</u> |
| Total Estimated Expense | \$ 2,635,300 |

Total Authorized Budget

| | |
|--------------------------------|---------------------|
| FY 2018/19 – FY 2020/21 CIP | \$ 141,916 |
| FY 2021/22 CIP | 1,288,560 |
| FY 2022/23 CIP | 1,233,000 |
| Total Authorized Budget | \$ 2,663,476 |

Funding for the project will be through a low-interest loan from the Drinking Water State Revolving Fund. The annual principal and interest payments on the loan will be paid from the Water Fund.

Following the completion of this demolition project, a separate project will add additional square footage to the Technical Services Complex (TSC). A conceptual design of the TSC addition was completed in 2021. Staff will issue a Request for Proposals for architectural services for the full design of the addition in the near future.

ALTERNATIVES:

1. Grant preliminary approval of the plans and specifications and issue a Notice to Bidders for a project to demolish the old Water Treatment Plant, and establish June 15, 2022, as the bid due date and June 28, 2022, as the date of public hearing and award.
2. Do not approve the plans and specifications and a Notice to Bidders thereby delaying the completion of this project.

CITY MANAGER’S RECOMMENDED ACTION:

The Demolition of the Old Water Treatment Plant Project will prevent the structures from becoming dilapidated and potentially dangerous. The design has now been completed and the project is ready for a Notice to Bidders to be issued. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.