

**COUNCIL ACTION FORM**

**SUBJECT:**           **2021/22 WATER SYSTEM IMPROVEMENTS PROGRAM  
(US HIGHWAY 69: S DUFF AVENUE, GRAND AVENUE)**

**BACKGROUND:**

The Water System Improvements program provides for replacing water mains in areas that are experiencing rusty water problems. It also provides for installing larger distribution mains in areas that have a high concentration of 4” supply lines, transferring water services from 4” water mains.

Eliminating duplicate water mains, where possible, improves water flow and helps reduce rusty water. Installing larger distribution lines in areas that have a high concentration of 4” supply lines and less than desirable fire-fighting capacity (predominantly in the older areas of the community) provides larger supply quantities in relation to the current and proposed land uses.

**The locations for this project are: US Highway 69: S Duff Avenue (SE 5<sup>th</sup>- Lincoln Way) and Grand Ave (6<sup>th</sup> St. – Murray Dr). Project locations have been coordinated with Iowa Department of Transportation (IDOT) upcoming 2024 roadway improvement project to minimize impacts to neighborhoods and commercial areas.**

On September 21, 2022, the bids for the project were received as follows:

Bidder	Bid
<i>Engineer's Estimate</i>	\$2,001,096.00
Synergy Contracting, LLC	\$2,286,813.80
On Track Construction	\$2,759,500.00
Keller Excavating Inc.	\$4,180,067.00

**Staff has reviewed the bids and determined that the apparent low bid from Synergy Contracting, LLC, of Ames, Iowa, is acceptable. Although the bid exceeds the Engineer's Estimate by approximately 14%, the bid is consistent with construction cost increases experienced with other projects in recent months. Sufficient funding is available to cover the increased costs.**

A summary of revenue and expenses is shown below:

	<b>Available Revenue</b>	<b>Estimated Expenses</b>
2021/22 Water System Improvements Program	\$ 1,600,000	
Water System Improvements Carryover Funds	1,153,100	
<b>Construction (this project)</b>		<b>\$ 2,286,813.80</b>
Engineering/Administration (overall total)		300,000.00
	\$ 2,753,100	\$ 2,586,813.80

**ALTERNATIVES:**

1. a. Accept the report of bids for the 2021/22 Water System Improvements Program ((US Highway 69: S Duff Avenue, Grand Avenue)
- b. Approve the final plans and specifications for this project
- c. Award the 2021/22 Water System Improvements Program (US Highway 69: S Duff Avenue, Grand Avenue) to Synergy Contracting, LLC of Ames, Iowa, in the amount of \$2,286,813.80
2. Award the bid to one of the other companies.
3. Do not proceed with this project.

**CITY MANAGER’S RECOMMENDED ACTION:**

Awarding a construction contract will allow this project to proceed. By improving the water systems in these sectors of South Duff Avenue and Grand Avenue, residents and businesses will see improved water quality and firefighting capacity. This project has been coordinated with Iowa Department of Transportation (IDOT) for their upcoming 2024 roadway improvement project to minimize impacts to neighborhoods and commercial areas.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.