

COUNCIL ACTION FORM

SUBJECT: **POWER PLANT RENOVATIONS REPORT OF BIDS**

BACKGROUND:

On August 23, 2022, City Council approved preliminary plans and specifications for Power Plant Renovations. This project is to improve the women's restroom, provide for gender-inclusive restroom/shower facilities, and eliminate security access concerns at the Power Plant. The restroom and shower facilities are not adequate to support a diverse workforce, nor does the plant's access system provide the necessary security needed in today's environment.

Bid documents were issued to eleven firms and two plan rooms. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published on the websites of a contractor plan room service with statewide circulation.

On September 28, 2022, one bid was received from Edge Commercial, LLC of Grimes, IA, in the amount of \$729,230. The architect's estimate was \$500,000.

The approved FY 2022/23 Power Plant operating budget includes \$400,000 for this project, along with \$155,000 reallocated from the Turbine Deck Improvement project. There is significant difference between the bid and the project estimate. **Given this difference compared to the estimate, and the shortfall of funds that would be needed to award the bid, staff is requesting that the City Council reject the bid for this project. Staff would then work with the design firm to determine whether it can be modified to lower the cost.**

ALTERNATIVES:

1. Reject the bid for the Power Plant Renovations project.
2. Award a contract to the apparent low bid and direct staff to identify additional funds.

CITY MANAGER'S RECOMMENDED ACTION:

These renovations at the Power Plant will create bathroom facilities to support a much more diverse and inclusive workforce and will improve the security of the plant. However, because the only bid came in significantly higher the architect's estimate, staff would like the opportunity to review the project and determine if changes can be made to lower the cost. Staff intends to work with the architect to rebid the project at a future date.

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