

ITEM #: 39
 DATE: 02-14-23
 DEPT: W&PC

COUNCIL ACTION FORM

SUBJECT: SAM PUMP STATION STANDBY GENERATOR – AWARD OF CONTRACT

BACKGROUND:

In 2003, the water distribution system was split into two separate pressure zones to accommodate growth in the west and southwest portions of the city. To provide the increased pressure to the new western pressure zone, a booster pump station was built at the intersection of State Avenue and Mortensen Road (SAM).

This project will install standby power at the pump station. It incorporates the requirements of the Iowa DNR’s Water Supply Design Standards that state “...Dedicated standby power shall be required so that water may be pumped to the distribution system during power outages to meet the average day demand...” As growth in the western pressure zone continues to increase, it is important to add standby power at the pump station site. **This project was intentionally accelerated in the FY 2022/23 CIP as a result of the derecho storm event of 2020.**

A Notice to Bidders for this project was issued on December 13, 2022. Bid alternates were included to provide a variable frequency drive to perform control system programming for the generator and to perform a load-bank test of the generator. On January 25, 2023, bids were opened, and two bids were received. A copy of the bid tabulation is shown below.

| Bidder | Base Bid | Bid Alternates | Base Bid + Alternate |
|-----------------------------------|---------------------|--------------------|----------------------|
| Price Electric | \$166,390.00 | \$70,088.00 | \$236,478.00 |
| Jensen Electrically powered, LLC. | \$246,117.40 | \$66,345.04 | \$312,462.44 |
| <i>Engineers Estimate</i> | <i>\$163,000.00</i> | | |

The lowest base bid was slightly above the Engineer’s Estimate, but within the authorized funding. **Since the extended price for the base bid plus the bid alternate exceeded the authorized budget in both cases, staff is recommending an award for the base bid only.**

The revised project expenses are as shown below.

Project Expense

| | |
|--------------------------------|-------------------|
| Engineering | \$ 37,250 |
| Construction (Base bid) | 166,390 |
| 10% Contingency | 16,639 |
| Total Estimated Expense | \$ 220,279 |

Authorized Budget

| | |
|-----------------------------|-------------------|
| FY 2022/23 Amended CIP | \$ 225,000 |
| Total Project Budget | \$ 225,000 |

Staff believes the bid provided by Price Electric is the lowest responsive bidder. It is worth noting that the lead time on the generator is currently estimated to be more than one year.

ALTERNATIVES:

1. Award a contract for the SAM Pump Station Standby Generator to Price Electric of Robins, Iowa, for the base bid only in the amount of \$166,390.
2. Award the contract to the other bidder.
3. Do not take any action at this time and provide direction to staff on the future of the project.

CITY MANAGER'S RECOMMENDED ACTION:

Providing redundant power at the SAM Pump Station is an important disaster resiliency measure that will ensure adequate pressure in the west pressure zone during extended power outages. Bids have been procured, and the low bid is within the authorized budget. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.