

ITEM #: 34
DATE: 07-09-24
DEPT: W&PC

COUNCIL ACTION FORM

SUBJECT: NUTRIENT REDUCTION MODIFICATIONS PHASE 1 - REPORT OF BIDS

BACKGROUND:

On May 14, 2024, Council issued a Notice to Bidders for the Water Pollution Control Facility Nutrient Reduction Modifications Phase 1 Project. A total of four addenda were issued to the plans and specifications. Bids were opened on June 26. A total of two bids were received. The bid tabulation is shown below.

Bidder	Lump Sum Base Bid
Woodruff Construction Ames, IA	\$53,370,000
Williams Brothers Construction Peoria, IL	\$60,780,000
<i>Engineer's Opinion of Probable Construction Costs</i>	<i>\$44,770,000</i>

ALTERNATIVES:

1. Accept the report of bids and delay action on award until the July 23 City Council meeting.
2. Award a contract to Woodruff Construction of Ames, IA for the Water Pollution Control Facility Nutrient Reduction Modifications Phase 1 Project in the lump sum amount of \$53,370,000.
3. Determine that the other bid is in the best interests of the City and award a contract to that bidder.
4. Reject all bids and provide direction to staff on the future of the project.

CITY MANAGER'S RECOMMENDED ACTION:

The design of the project was completed in accordance with the City Council-approved Facility Plan. Following the City Council's Notice to Bidders on May 14, 2024, the work was competitively bid in accordance with the City's Purchasing Policies and Procedures. Four addenda to the plans and specifications were issued during the bidding window.

The lowest bid, at \$53,370,000, substantially exceeded the engineer's Opinion of Probable Construction Costs of \$44,770,000. **Because of this significantly higher cost, Staff and the City's consultant are recommending that the City Council accept the report of bids and delay a decision regarding the awarding of a contract until the July 23 City Council meeting. That additional time will be used to discuss the pricing in detail with the low bidder, to explore possible changes to the specifications that could reduce costs, to identify other CIP projects in the Sewer Fund that could be delayed to offset the higher than expected bids, and to evaluate the potential impact on sewer rates if the contract were to be awarded to the low bidder.** Therefore, it is the recommendation of

the City Manager that the City Council adopt Alternative No. 1 as described above.

ATTACHMENT(S):

[Ames.2024-089.BidTab.pdf](#)