

COUNCIL ACTION FORM

SUBJECT: 2018/19 WATER SYSTEM IMPROVEMENTS – (BURNETT AVENUE AND MURRAY DRIVE)

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 in streets where larger water mains exist, and abandoning 4” water mains. Eliminating duplicate water mains improves water flow, helps reduce rusty water and enhances fire-fighting capacity.

Staff has completed plans and specifications for this contract with a total estimated construction cost of \$1,059,223. Engineering and construction administration costs are estimated at \$159,000, bringing the **total estimated costs to \$1,218,223.**

On August 7, 2019, bids for the project were received as follows:

<i>Bidder</i>	<i>Amount</i>
<i>Engineer’s estimate</i>	<i>\$1,059,223.00</i>
Keller Excavating, Inc.	\$1,194,492.10
GM Contracting, Inc.	\$1,287,521.95

Revenue and expenses associated with this program are estimated as follows:

	Available Revenue	Estimated Expenses
Water Utility Fund (2018/19)	\$1,300,000.00	
Water Utility Fund (2017/18)	\$ 150,000.00	
Construction		\$ 1,194,492.10
Engineering/Administration		\$ 185,000.00
	<u>\$ 1,450,000.00</u>	<u>\$ 1,379,492.10</u>

ALTERNATIVES:

1. a. Accept the report of bids for the 2018/19 Water System Improvements – (Burnett Ave. and Murray Dr.) project.
- b. Approve the final plans and specifications for this project.

- c. Award the 2018/19 Water System Improvements – (Burnett Ave. and Murray Dr.) project to Keller Excavating, Inc. of Boone, Iowa, in the amount of \$1,194,492.10.
2. Award the contract to one of the other bidders.
3. Do not proceed with this project.

MANAGER’S RECOMMENDED ACTION:

By approving final plans and specification and awarding the contract, this project will improve the water systems in these local neighborhoods, residents will see improved water quality and firefighting capacity. This project was designed in accordance with the latest plans and specifications and the engineer’s estimate is below the Capital Improvement Plan funding amount.

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