



TO: Mayor Tom Ross
Members of the City Council

FROM: Jason Sorenson, Assistant Director of Public Works

DATE: April 1, 2024

SUBJECT: 2024 WATERMAIN REPLACEMENT - AWARD OF BID (4798)

I. RECOMMENDED ACTION

- A. Recommend council award the bid for the 2024 Watermain Replacement Project to Post Construction, Inc. for the lowest bid of \$2,473,528.00 which includes Units 1 and 2.
- B. Recommend council authorize the mayor to sign contract documents on behalf of the City.
- C. Recommend council approve a budget amendment to allocate the funds.

II. DEPARTMENT CONTACT PERSONS

Jason Sorenson, Utilities Director 857-4140

III. DESCRIPTION

A. Background

Each year, the Water and Sewer Department budgets funds for watermain replacement in areas where old watermains are in poor condition. This year, \$2 million was allocated for this project. The area was chosen based on being an area that required significant maintenance repairing watermain breaks.

On Tuesday, March 26, 2024, bids were opened for the 2024 Watermain Replacement Project. Below is a copy of the bid tabulation:

**2024 Watermain Replacement Project Bid Tabulation
City Project #4798**

The lowest responsible bid was received from Post Construction, Inc. in the amount of \$2,473,528.00.

B. Proposed Project

Work for this project this year will concentrate in an area of town where there are frequent watermain breaks east of Oak Park.

C. Consultant Selection
N/A

IV. IMPACT:

A. Strategic Impact:

Replacing the old cast iron watermain reduces the amount of water breaks and reduces overall maintenance costs on the water distribution system.

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

Project Costs

Engineer's Estimate:	\$2,458,275.00
Contractor's Bid:	\$2,473,528.00

Project Funding

Funds for this project were budgeted in the 2024 Watermain Maintenance budget in the amount of \$2,000,000 (Account 14061000-44501).

A budget amendment was issued October 16, 2023 to move \$900,000 from the 2024 Watermain Maintenance budget to the 2023 Watermain Maintenance budget to allow design to start on the University Avenue Watermain Replacement and Westfield Watermain Replacement projects to be constructed in late 2024 and 2025. The \$900,000 was previously approved for a DWR grant and will be reimbursed in the 2024 budget. Once the University and Westfield projects are bid a request will be sent to DWR for 60% cost share with the remaining 40% being funded using a DWSRF loan

A budget amendment in the amount of \$1,500,000 is necessary to allocate the funding for this project. Of the \$1,500,000, \$600,000 will come from water/sewer cash reserves to cover the project overage plus some contingency.

V. CITY COUNCIL ASPIRATIONS

This item achieves the aspirations of Resilient and Prepared.

VI. ALTERNATIVES

The council could choose to reduce the project scope to keep the project within the budgeted amount. If that is the case, the plans will be put on the shelf and included in a future project. While the work can be done later, it will most likely be done at a higher cost

VII. TIME CONSTRAINTS

N/A

VIII. LIST OF ATTACHMENTS

1. Budget Amendment