

ITEM #:	<u>38</u>
DATE:	<u>08-13-24</u>
DEPT:	<u>W&PC</u>

COUNCIL ACTION FORM

SUBJECT: **FY 2022/23 STORY COUNTY EDGE OF FIELD PROJECT**

BACKGROUND:

The Water Pollution Control (WPC) Facility is being converted to implement nutrient removal treatment technology over a period of 20 years. **Separate from the work that will occur at the treatment plant, watershed-based improvements performed by the City can be “banked” as credit toward any future, more stringent nutrient reduction regulations imposed on the WPC Facility.**

On June 11, 2024, Council issued a Notice to Bidders for the FY 2022/23 Story County Edge of Field Project. The project will install five saturated buffers and ten bioreactors that will intercept and treat 19 agricultural tile outlets. These practices allow for the natural removal of nitrogen from subsurface drainage before it enters a stream or other surface waters. A single bid was received in response to the Notice, and a copy of the bid tabulation is attached. **The Engineer's estimate for the work was \$257,711. The lone bid received, at \$374,228, was significantly higher (45%) than the estimate.**

After conversations with other contractors who had expressed interest but did not submit a bid, staff learned that they already had work lined up during the construction window allowed by the specifications. They indicated they would be interested if the construction deadline were to be extended. Staff has consulted with the two funding partners who will be sharing in the expense of the project. Both Story County Conservation and the Iowa Department of Agriculture and Land Stewardship are agreeable to rejecting the bid and reissuing a Notice to Bidders with an extended construction window. Both partners have confirmed that the delay will not jeopardize their ability to participate in the project expenses. **As a result, staff is recommending that Council reject the bid received. Staff would then bring a new bid package with a longer construction period to Council in the near future.**

Should Council instead decide to award a contract to the sole bidder, the City's portion of the total project costs would be \$78,150. The funding would come from the Watershed Based Nutrient Reduction capital improvements project budgeted at \$200,000 per year, with \$100,000 earmarked specifically for edge of field projects. Adequate funding is available in that account to cover the City's portion of the cost.

ALTERNATIVES:

1. Reject the bid and direct staff to return to Council with revised specifications to allow for a later construction deadline.
2. Award a contract to On Track Construction LLC of Nevada, Iowa for the FY 2022/23 Story County Edge of Field Project in the lump sum amount of \$374,228.

CITY MANAGER'S RECOMMENDED ACTION:

After consulting with other interested contractors, staff believes there is a possibility to obtain additional competitive bids for this project if the construction deadline were to be pushed further into the future. Since having multiple bids helps ensure that the City is getting the best price for the work, staff is optimistic that the new bids' prices will be lower than the single bid received. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ATTACHMENT(S):

[2024-195 FY22-23 Story County Edge of Field Project Bid Tabulation.pdf](#)