

ITEM #: 18
DATE: 08-26-25
DEPT: W&PC

COUNCIL ACTION FORM

SUBJECT: WATER PLANT WELL REHABILITATION CONTRACT

BACKGROUND:

Well rehabilitation is an important maintenance activity to ensure proper functioning of the water wells used to supply drinking water for the community and prevent premature well failure. The Water Plant has its wells on a five-year rotation for cleaning and rehabilitation.

On June 14, 2022, Council awarded a well rehabilitation contract to Northway Well and Pump Company of Waukee, Iowa. After completion of the first year, the contract allowed for up to four optional annual renewals, for a maximum total of five years.

On May 14, 2024, Council awarded the Year Three contract (the second renewal) to Northway to rehabilitate Well Numbers 6, 7, 16, 19, and 24 in the base amount of \$154,208. Two change orders were issued for repairs to Well 16 and Well 24 in the combined amount of \$27,250.55, yielding a final contract total of \$181,458.55. City staff subsequently directed Northway to exclude Well 6 from the 2024/25 year's work, as Well 6 may be abandoned in the near future when The Linc development project begins. **All remaining work covered by Year Three has been successfully completed, for a total contract amount due to the contractor of \$145,446.04.** An Engineer's Statement of Completion is attached.

Staff is also recommending that Council award the Year Four contract (third renewal option) to Northway for the rehabilitation of Well Numbers 11, 15, 18, and 25. **Under the terms of the contract, adjustments from the base bid prices provided in 2022 are made using a Consumer Price Index (CPI) adjustment factor.**

The March CPI factor used to adjust from the FY 2022/23 bid to the FY 2025/26 contract renewal is 10.65%. **The resulting expenses for FY 2025/26 will be \$5,532.50 for the annual mobilization and \$30,235.11 per well times four wells, for a total contract amount of \$126,472.94.**

The FY 2025/26 Water Plant operating budget contains \$131,848 for the rehabilitation, and an additional \$34,000 for repairs as needed.

ALTERNATIVES:

1. The City Council can:
 - a. Accept the completion of Year Three of the five-year Water Plant Well Rehabilitation Contract in the final amount of \$145,446.04.
 - b. Award Year Four to Northway Well and Pump Company of Waukee, IA in the amount of \$126,472.94 for mobilization and rehabilitation of four wells in FY 2025/26.

2. The City Council can:
 - a. Not accept completion of Year Three and provide staff with guidance on steps needed to close out the contract.
 - b. Not award a contract for Year Four, and direct staff to solicit new bids for the rehabilitation work.
3. The City Council can:
 - a. Not accept completion of Year Three and provide staff with guidance on steps needed to close out the contract.
 - b. Not award a contract for Year Four, and direct staff not to pursue well rehabilitation for FY 2025/26. This could result in lowered capacity in the wells and potentially lead to premature failure of the wells and appurtenances.

CITY MANAGER'S RECOMMENDED ACTION:

Regular well maintenance is necessary to ensure the availability of source water quantities to meet the City's current and future drinking water demands. Staff has determined a five-year cycle of well rehabilitation to be an effective means of maintaining well production. The third year of the Water Plant Well Rehabilitation contract has been successfully completed in accordance with the plans and specifications. An Engineer's Statement of Completion is attached.

The contract originally awarded to Northway Well and Pump Company included an option for up to four annual renewals (a total of five years). Northway has performed effectively in the prior three years' work, and staff is recommending that they be awarded a contract renewal for Year Four. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

ATTACHMENT(S):

[Engineer's Statement of Completion 2025.pdf](#)