

Memorandum

REPORT TO: City Commission

FROM: Brian Heaston, Engineer III
Shawn Kohtz, Utilities Engineer

SUBJECT: Authorize the City Manager to Sign Amendment 3 to Task Order 3 with HDR Engineering Providing for Engineering Services in Support of Direct Construction Contract Negotiations for the Water Reclamation Facility Solar Generation Project

MEETING DATE: July 14, 2026

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to Sign Amendment 3 to Task Order 3 with HDR Engineering Providing for Engineering Services in Support of Direct Construction Contract Negotiations for the Water Reclamation Facility Solar Generation Project

STRATEGIC PLAN: 4.3 Strategic Infrastructure Choices: Prioritize long-term investment and maintenance for existing and new infrastructure.

BACKGROUND: The City is presently in direct negotiations for a construct contract for the Water Reclamation Facility (WRF) Solar Generation Project. Public bids were publicly advertised on two separate occasions and no responsible bids were received during either round of public bid solicitations. The City is now directly negotiating a construction contract utilizing a quasi-competitive process with two separate qualified local solar installations contractors. Statutory authority for direct contract negotiation after two failed bidding attempts is provided at MCA 18-2-301(3). The City Attorney and City Finance Director have both authorized these direct contract negotiations.

The attached Task Order 3 with HDR Engineering provides for technical services in support of the direct negotiation process. HDR prepared the plans, specifications, and bidding documents for the project and serves as the Engineer of Record. HDR therefore has an ongoing role in ensuring that any negotiated modifications to the project documents remains consistent with its engineer certifications.

UNRESOLVED ISSUES: The City has given a deadline of July 3, 2026 for the selected contractors to submit their respective project and price proposals. The City will review the proposals in coordination with HDR and select the proposal that provides the best value to the City to arrive at a final construction contract. The final

construction contract will be presented to the City Commission at a later date for authorization.

ALTERNATIVES:

As suggested by the City Commission.

FISCAL EFFECTS:

Amendment 3 to Task Order 3 provides a cost not to exceed of \$15,000 for direct construction contract negotiation assistance. Costs are billable on a time and materials basis and are funded by CIP Project WW155 - WRF Solar Arrays. Sufficient budget exists to cover the amendment 3 costs.

Attachments:

[10438546 Amendment 3 TO 3_Solar.pdf](#)

Report compiled on: June 18, 2026