



Agenda Item Report

Legislative Board: City Council
Date: April 1, 2025
Contact: Blake Neffendorf, Public Works Director
Agenda Item ID / Number: 2025-274- / J.1

ITEM TITLE: Deliberation and possible action to award a contract to Landmark Structures for IFB #25-134 Colony Elevated Storage Tank and to authorize the City Manager to negotiate and execute a construction contract of \$9,670,000.00 and further authorize the City Manager to execute change order up to 2.5% or \$241,750.00 (Public Works Director Blake Neffendorf and Purchasing Manager AJ Goodson) [PUBLIC TESTIMONY]

1. EXECUTIVE SUMMARY

IFB FY25-134 was solicited and 2 bids were received and opened on March 10th. The low bid was from Landmark Structures in the amount of \$9,670,000.00. The bid was reviewed and references were checked by the project engineer, Freese and Nichols Inc. The City will execute the standard form of construction contract that has been approved by the City Attorney.

2. BACKGROUND/HISTORY

In collaboration with Freese and Nichols Inc, project engineers, staff prepared IFB #25-134 Colony Elevated Storage Tank Project. The solicitation was publicly advertised in the Hays Free Press on February 5th and 12th and was also posted on Public Purchase and BidNet. A non-mandatory pre-bid conference was held on February 19th, 2025, at 2:00PM. 2 bids were received and opened on March 10th.

The bids received were from Landmark Structures and Caldwell Tanks Inc. A bid tabulation was created by the project engineer, Freese and Nichols Inc., and is attached.

This elevated storage tank was first proposed from work completed with the 2017 Impact Fee Study identifying the need for additional elevated storage capacity in the central pressure plane. A Hydraulic Analysis was completed in 2021 indicating that the size of the elevated tank should be 1.5 million gallons in order to accommodate current and future growth within the central pressure plane. After a search for an ideal location to site the new tank, an agreement was made with the Colony Development to place the tank in the northwest corner of their development. Design work on the tank was then completed in 2024.

3. ANALYSIS

The City's consulting engineer, FNI, performed a review of all Bids for conformance and checked references for the lowest responsive Bid. A letter of recommendation is included within the attached documentation to award the Bid to Landmark Structures as the lowest responsible bidder.

The number of calendar days within which the work is to be substantially completed is 450 calendar days and final completion within an additional 30 calendar days.

This elevated tank will serve the needs of the central pressure plane through projected buildout and provide a more stable pressure to customers within the central pressure plane that are currently being served off the elevated tank within the western pressure plane (Beacon Hill). Water delivered from the Alliance Regional Water Authority will be stored and distributed from this tank and will allow

improved operational flexible for the City's water system.

4. FINANCIAL IMPACT

The total value of the presented contract is \$9,670,000.00, which is more than the bond proceeds issued for construction. The Water Impact Fee Fund has a balance capable of covering the added costs.

Funding Summary:

Revenues:	
Bond Proceeds	\$7,859,800
ARPA Proceeds	\$843,703
Impact Fees	\$309,437
Total Funding Sources	\$9,012,940
Expenses:	
Design	\$733,112.30
Soft Costs (appraisals, survey, permits, etc.)	\$358,613.28
Construction	\$9,670,000
+2.5% Construction Contingency	\$241,750
Amount needed from Impact Fees Fund Balance	\$1,993,716

5. STRATEGIC PLAN/GOALS

BALANCED AND INTENTIONAL GROWTH

6. STRATEGIC PLAN OBJECTIVES

Long Term Water Supply

7. PROS AND CONS

Pros: Long term elevated storage capacity to meet build-out requirements for the City's central pressure plane. Delivery point for the Alliance Regional Water Authority to better serve the community and provide a reliable pressure for residents living in the central pressure plane.

Cons: Cost is several million dollars more than anticipated when the Project first began nearly 5 years ago.

8. ALTERNATIVES

The City Council may establish a different level of authority for change orders so long as it does not exceed the state maximum.

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

This item was discussed with the Council Water/Wastewater/Drainage Committee on March 27. Staff recommends the award of the contract to Landmark Structures, for the Colony Elevated Storage Tank Project.

Attachments:

[Recommendation of Award Package.pdf](#)