



Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Travis Block, Public Works Director
MEETING DATE: January 22, 2019
SUBJECT: Resolution 2019-019 Accept Bids for Biogas Membrane Removal and Replacement

Background:

On Wednesday, December 12, 2018, bids were received for the Biogas membrane Removal and Replacement. The project includes the removal and replacement of the gas membrane cover on digester No. 3 at the Water reclamation Facility (WRF).

Three bids were received, the bids are tabulated as follows:

Magney Construction Inc., Chanhassen, MN	\$ 460,720.00
Rice Lake Construction, Deerwood, MN	\$ 482,300.00
Gridor Construction Inc., Buffalo, MN	\$ 497,544.00
<i>Engineer's Estimate</i>	<i>\$ 365,000.00</i>

The engineer's estimate was based on information from the manufacturer of the cover (Evoqua), who originally was interested in performing the replacement with in-house labor as a direct replacement, as outlined in the attached recommendation from the consulting engineer. Following guidance from the City Attorney, the project was required to be publicly bid. Evoqua chose not to submit a bid on the project. Funding for the project is being processed through an open insurance claim under the catastrophic equipment failure provision. The extent of the coverage will not be known until an inspection of the failed cover occurs during removal. Any amount not covered by insurance will come from the Sanitary Sewer Fund (602).

It is recommended to award to the low bidder, Magney Construction Inc., Deerwood, MN. The project is scheduled to begin in the summer and be substantially complete by the fall.

Recommendation:

Approve Resolution 2019-019

Attachments:

- Resolution 2019-019
- Award Recommendation
- CIP Sheet

CITY OF FARIBAULT

RESOLUTION #2019-019

ACCEPT BIDS FOR BIOGAS MEMBRANE REMOVAL AND REPLACEMENT PROJECT

WHEREAS, pursuant to the advertisement for bids for the Biogas Membrane Removal and Replacement Project, bids were received, opened, and tabulated according to law and the following bids were received complying with the advertisement for bids:

Magney Construction Inc., Chanhassen, MN	\$ 460,720.00
Rice Lake Construction, Deerwood, MN	\$ 482,300.00
Gridor Construction Inc., Buffalo, MN	\$ 497,544.00

and;

WHEREAS, it appears that Magney Construction Inc., Chanhassen, MN is the lowest responsible bidder.

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Administrator are hereby authorized and directed to enter into contract with Magney Construction Inc. in the name of the City of Faribault for the Biogas Membrane Removal and Replacement in the amount of \$460,720.00 according to the Plans and Specifications prepared and on file in the office of the Public Works Director.

ALSO, BE IT RESOLVED, that the City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposit of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

Date Adopted: January 22, 2019

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Timothy C. Murray, City Administrator

Capital Plan

2019 *thru* 2023

City of Faribault, Minnesota

Project # WRF-E-12
Project Name Digester Membrane Cover Replacement



Type Building **Department** Water Reclamation Facility
Useful Life 20 years **Contact** Public Works
Category Facilities **Priority** 1 High
Capital Asset #
Unit #

Description

Digester membrane cover replacement

Justification

The cover is key to operating the biosolid process at the plant. The cover has failed and needs to be replaced. Insurance may cover the equipment failure resulting in the need to replace the digester membrane.

Expenditures	2019	2020	2021	2022	2023	Total
Facility Maintenance	385,000					385,000
Total	385,000					385,000

Funding Sources	2019	2020	2021	2022	2023	Total
Other	335,000					335,000
Sanitary Sewer Fund	50,000					50,000
Total	385,000					385,000

Budget Impact/Other