



Legislation Text

File #: 18-1724, **Version:** 2

Resolution to Award Contract for the WTP Ozone Building Chiller Replacement Project to Erie Welding & Mechanical Contractors, Inc., ITB 4550 (\$474,920.00)

This memorandum and resolution requests approval to award a contract to Erie Welding & Mechanical Contractors, Inc. for the WTP Ozone Generation Building Chiller Replacement Project (CIP No. UT-WS-16-20).

The ozone generation system is the Water Treatment Plant's primary means of disinfection for the City's water supply. The City uses two chillers as part of this process as a means of cooling four ozone generators and their power supplies. Without sufficient cooling, the ozone generators would be inoperable, resulting in the inability of the City to adequately disinfect the water.

The existing chillers are 22 and 18 years old respectively and have reached the end of their useful lives. The 18-year old chiller has been rebuilt several times and is not able to reach its designed cooling capacity. The 22-year old chiller is original to the ozone facility and was oversized for the actual cooling demand. This unit does not operate efficiently and cycles excessively. The two new chillers will be sized to meet the required cooling demands, will incorporate current technology to operate more efficiently, and will restore the cooling capacity needed to operate the disinfection system.

This project is included in the Water Supply System Capital Budget for an estimated cost of \$750,000.00. The scope of work for this project includes the demolition, construction, startup, and testing of two new chillers and associated piping, controls, and electrical equipment.

On September 24, 2018, the City received the following six (6) bids for ITB 4550:

<u>Bidder</u>	<u>Base Bid</u>
Erie Welding & Mechanical, Inc.	\$540,400.00
Goyette Mechanical Co.	\$543,250.00
John E. Greene Co.	\$574,000.00
Professional Thermal Systems Inc.	\$597,000.00
John Darr Mechanical	\$597,000.00
Boone & Darr, Inc.	\$635,000.00

Erie Welding & Mechanical Contractors, Inc. is the lowest responsible bidder.

Erie Welding & Mechanical Contractors, Inc. provided the following alternates that the City has accepted.

Alternate No. 1 To provide a deduction of \$68,000.00 if Carrier is chosen as the chiller manufacturer to be used.

Alternate No. 4 Additional cost for an additional three (3) years for a total of five (5) years of warranty for the 40-Ton chiller in the amount of \$2,520.00.

Since Erie Welding & Mechanical contractors, Inc. submitted the lowest responsible bid in the amount of \$540,400.00, it is recommended that their bid including Alternates No. 1 and 4 be accepted for a total contract value of \$474,920.00, and that Erie Welding & Mechanical Contractors, Inc. be awarded the contact for the ozone chiller replacement. The WTSU also recommends a

contingency in the amount of \$50,000.00 be approved for construction change orders.

Budget/Fiscal Impact: This project will be funded from the Water Supply System Capital Budget. Erie Welding & Mechanical contractors, Inc. complies with the City's Living Wage and Non-discrimination Ordinances.

Prepared by: Nicholas Baran, Inventory Control Technician, WTSU

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard Lazarus, City Administrator

Whereas, The City uses ozone as the primary disinfection for the City's drinking water;

Whereas, The WTP Ozone Generation Building Chiller Replacement Project is included as a high priority project in the Water Supply System Capital Improvement Plan;

Whereas, Chillers provide the critical cooling capacity necessary for the ozone generators to operate;

Whereas, Funding for this work is available in the Water Supply System Capital Budget;

Whereas, Of the six (6) bids received Erie Welding & Mechanical, Inc. provided the lowest responsible bid in the amount of \$540,400.00;

Whereas, Erie Welding & Mechanical, Inc. submitted five alternates for the City's consideration; the City has elected to accept two of the alternates, Alternate No. 1 is to use Carrier as the chiller manufacturer for a deduct of \$68,000.00, and Alternate No. 4 is extend the warranty for the 40 ton chiller for an additional three years at a total additional cost of \$2,520.00; and

Whereas, Erie Welding & Mechanical, Inc. complies with the City's Living Wage and Non-discrimination Ordinances;

RESOLVED, That Council award the contract for the WTP Ozone Generation Building Chiller Replacement Project to Erie Welding & Mechanical Contractors, Inc in the amount of \$474,920.00;

RESOLVED, That the City accept Alternate No. 1 for a reduction of \$68,000.00 from the Base Bid price;

RESOLVED, That the City accept Alternate No. 4 in the amount of \$2,520.00;

RESOLVED, That a contingency in the amount of \$50,000.00 be approved to finance change orders to the contract with Erie Welding & Mechanical Contractors, Inc. to be approved by the City Administrator;

RESOLVED, That the City make the following declaration for the purposes of complying with the reimbursement rules of Treasury Regulations 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, that the City reasonably expect to reimburse itself for expenditures for the costs of the Project with proceeds of Bonds;

RESOLVED, That the City Administrator be authorized to take the necessary administrative action to implement this resolution; and

RESOLVED, That the funds be available for the life of the project without regard to fiscal year.