



Legislation Details (With Text)

File #: 22-1064 **Version:** 1

Type: Extension of Agreement **Status:** Agenda Ready

File created: 8/31/2022 **In control:** City Council

On agenda: 10/4/2022 **Final action:**

Title: Approve the award of Option Year Three of Contract 20-001, Pipefitting, Plumbing and Mechanical Services, to Dahme Mechanical Industries, Inc. for the amount to not exceed \$210,560

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
10/4/2022	1	City Council	approved	Pass

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Option Year Three of Contract 20-001, Pipefitting, Plumbing and Mechanical Services, to Dahme Mechanical Industries, Inc. for the amount to not exceed \$210,560

DEPARTMENT: Water Utilities

SUBMITTED BY: Darrell Blenniss, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

Dahme Mechanical Industries, Inc. provides a full spectrum of services to maintain, repair, and replace piping and pumping systems on the City's water supply, water distribution, and wastewater collection and treatment systems.

In January 2020, the City Council awarded Bid 20-001, Pipefitting, Plumbing, and Mechanical Service to Dahme Mechanical Industries, Inc. for a 10.5-month term from February 19, 2020 to December 31, 2020. The first-year option extension was approved on October 6, 2020 and the second-year option extension was approved on August 17, 2021.

DISCUSSION:

Dahme Mechanical Industries, Inc. has performed well during the second optional contract terms. During the current term, the Water Utilities used the vendor to perform the following work:

1. Installation of new bulk water supply station.
2. Repairs to large slute gates at the Water Service Center and the South Operation Center.

3. Repairs to a 36" diversion valve located at the Northwest Wastewater Pump Station
4. Piping repairs to Springbrook Water Reclamation Center
5. Installation of large flow meters at Northeast Water Works

Due to increasing labor costs, Dahme has requested a 6% increase. Through negotiation, the vendor agreed to a 3.2% increase. This increase is still lower than the second lowest bidder from the original year of the bid in 2020. Based on the vendor's outstanding performance, the Water Utility would like to extend the contract for the third option year.

The term of the third option year is January 1, 2023, to December 31, 2023, with one more option year remaining.

FISCAL IMPACT:

CIP: WU038/WW044/WW034

Pipefitting, Plumbing, and Mechanical Services are expensed to the account numbers listed below for Operational and Capital Improvement processes. A combined total of \$100,000 for general operations and an additional \$1,560,000 for Capital Improvements has been submitted as part of the 2023 Budget, which is currently under review. Pending review and Council approval, the requested award of \$210,560 is expected to be within budget.

Account Number	Fund Description	Proposed Budget Amount
41251510-531308	Water Utilities Fund	\$340,750
41251520-531308	Water Utilities Fund	\$912,000
41251510-531302	Water Utilities Fund	\$170,000
41252000-551502	Water Capital Fund	\$45,198,979