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Public Works

City Transit
263-8152

MEMORANDUM

Equipment Maintenance
Roadway Maintenance
Collection & Drainage
Building & Grounds
Engineering

To: Gregg Mandsager, City Administrator
CC: Fran Donelson, Secretary
FROM: Randy Hill, Public Works Director
DATE: April 3, 2012
RE: City Hall Boiler Project

INTRODUCTION:

The boiler located in City Hall was installed in 1969. Parts are no longer available, and it is extremely energy inefficient.

BACKGROUND:

City staff used the services of The Energy Group in 2010 to obtain an energy audit for several city facilities. It was determined that the oversized steam boiler in City Hall was antiquated and rated at 80% combustion efficiency. Based on the size of the boiler and the historical utility data, the seasonal efficiency is approximately 60%. Using this data Public Works staff applied for an Energy Efficiency and Conservation Block Grant for the replacement of the boiler. In October 2011 the City was notified that we were awarded a \$21,500 grant.

RECOMMENDATION/RATIONALE:

The City received bids on March 21, 2012 for the replacement of the boiler. Three bids were received (see attached memo from A&J Associates). The low bid is \$122,279 from J. L. Brady. This project will be funded from prior year TIF bond proceeds and the EECBG grant. Staff recommends awarding the contract to J. L. Brady for the replacement of the City Hall boiler.

BACKUP INFORMATION:

1. Memo from A&J Associates
- 2.
- 3.
- 4.

**"I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them" — Mark Twain**

RESOLUTION NO. _____

**AWARD CONTRACT FOR
CITY HALL BOILER REPLACEMENT**

It is resolved that the following bid is determined to be the lowest responsible bid for the Art Center Museum Boiler Replacement project.

<u>NAME & ADDRESS CONTRACTOR</u>	<u>AMOUNT OF BID</u>
J. L. Brady Moline, Illinois	\$122,279.00

It is further resolved that the Art Center Museum Boiler Replacement project is awarded to the above named contractor for \$122,279.00, and the Mayor and City Clerk are authorized and directed to enter into a written contract with said contractor covering the furnishing of material for, and construction of the Art Center Museum Boiler Replacement, such contract not to be binding until approved by resolution of this Council.

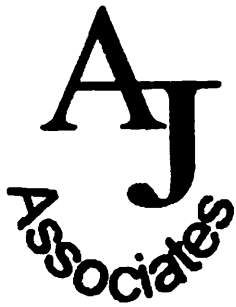
It is further resolved that the amount of the contractor's bond is fixed at \$122,279.00, which is one hundred percent of the contract price.

PASSED, APPROVED, AND ADOPTED THIS 5th DAY OF APRIL, 2012.

DeWayne Hopkins, Mayor

ATTEST:

Gregg Mandsager, City Administrator



A&J Associates
Mechanical and Electrical Consulting Engineers

March 29, 2012

Mr. Jerry McKenzie
Building and Grounds Supervisor
City of Muscatine
1459 Washington St.
Muscatine, IA 52761

Re: Bids Received on March 21, 2012
City Hall Boiler Replacement
A&J #201114.00

Dear Jerry:

Three bids were received for the City Hall Boiler Replacement project. Bids were offered by J.L. Brady of Moline, Illinois, Ryan & Associates of Davenport, Iowa and Hometown Plumbing & Heating of Davenport, Iowa.

The bids breakdown as follows.

	J.L. Brady	Ryan	Hometown
Basebid	\$122,279	\$187,511	\$269,134
Alternate 1	\$19,981	\$48,176	\$32,863
Addendum 1	Yes	Yes	Yes
Bid Bond	5%	5%	5%
Non Collusion Affidavit	Yes	No	No
Exception or Clarification	None	None	None
Mechanical Subcontractor Listed	J.L. Brady	Ryan	Hometown

J.L. Brady was the lowest bidder being \$65,232 less than the next highest bidder or 35 percent below the next bid.

J.L. Brady's Alternate 1 bid was also the lowest of the three bidder prices by 40 percent.

We cannot explain the wide divergence in the bids. Obviously the three bidders saw the project differently.

This project is a difficult remodeling project that must adhere to Historic Preservation requirements and is a steam to hot water conversion.

A&J's estimate for the base bid work prior to bids being received was between \$80,000 and \$95,000 depending on which difficulty factor was applied. J.L. Brady's bid is relatively close to A&J's estimate for this remodeling work if we adjust our estimate for the labor time required.

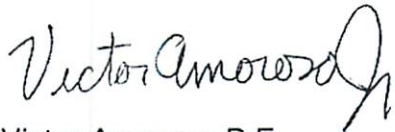
I spoke to Scott Stubblefield of J.L. Brady about the project and his bid. He told me he understood the project scope and had no questions about what is needed. He said he received multiple bids from suppliers and subcontractors so he felt his bid was competitive.

J.L. Brady is a reputable mechanical contractor who has a lot of boiler upgrades experience. In fact J. L. Brady has worked on several boiler projects for the City of Muscatine.

If there is adequate financing available we recommend that the City of Muscatine award a contract to J.L. Brady to the base bid work only for \$122,279.

Please let me know if there is any questions or comments.

Sincerely,



Victor Amoroso P.E.
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North Liberty, IA 52317
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vic@ajengineers.net