TO: Mayor Shaun Sipma
     Members of the City Council
FROM: Jason Sorenson, Asst. Public Works Director
DATE: January 24, 2022
SUBJECT: PROCUREMENT FOR VALVES AND FITTINGS (PROJECT NUMBER 4632)

I. RECOMMENDED ACTION
   1. Recommend council authorize Public Works to forego the procurement requirements for a purchase over $50,000 and allow fittings and valves for the 2022 Watermain Replacement project to be purchased using quotes.

II. DEPARTMENT CONTACT PERSONS
    Dan Jonasson, Director of Public Works    857-4140
    Jason Sorenson, Asst. Director of Public Works  857-4768

III. DESCRIPTION
   A. Background
       During a routine order to get additional valves, hydrants, and fittings in inventory for normal maintenance that the Water Department does, it was discovered these items have significantly long delivery times. Currently, delivery is expected to take a minimum of 12 weeks.

   B. Proposed Project
       Public Works is currently in the process of designing the 2022 Watermain Replacement project. It is expected this project will be out for bid in February and at City Council for award in March. After award it still takes a couple weeks to get contract documents organized and signed. Contractors generally order materials for a project once a project is awarded and contracts are signed. This could lead to wasting part of the construction season waiting for valves and fittings to arrive. It is estimated the valves, hydrants and fittings for this project will cost around $150,000. Public Works would like to order these materials and provide to the contractor. This will ensure this project can kick off in early spring and be kept on track to finish before fall of 2022.

   C. Consultant Selection
       N/A

IV. IMPACT:
   A. Strategic Impact:
       Annual watermain replacement is now about a two million dollar per year project. There is a significant amount of work that needs to be completed in a short construction window. Having materials on hand will help keep this project on schedule.
B. **Service/Delivery Impact:**
N/A

C. **Fiscal Impact:**

*Project Costs*

- Fittings, valves, and hydrants estimate $150,000

*Project Funding*

Funding in the amount of $2,000,000 was budgeted in the watermain maintenance line item of the Water Distribution Department budget.

V. **ALTERNATIVES**

Alt 1. The Council could deny this request and require a sealed bid process. This will ultimately lead to delays in the kick-off for this project.

Alt 2. The City Council could elect to not allow the purchase to occur and have the contractor supply all materials for the project as part of their bid. Based on current lead times, this would mean the project wouldn’t start until mid-June.

VI. **TIME CONSTRAINTS**

Council’s approval of the recommendation will allow the project to be started in the spring and be kept on track to finish by fall of 2022.

VII. **LIST OF ATTACHMENTS**