

COUNCIL COMMUNICATION

From: The City Manager

Subject: John E. Green Contract and Budget Adjustment for Wastewater Treatment Aeration Basin Improvements

Manager's Recommendation:

I recommend that the low bid from John E. Green in the amount of \$2,690,000.00 be accepted and a contract be awarded to them in that amount. The contract is subject to my approval as to substance and the City Attorney as to form.

This vendor meets all requirements of §14.23, "Vendors", Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing", of Title 1, "General Provisions" of the Saginaw Code of Ordinances O-1.

In addition, it is also recommended that the Sewer Operations and Maintenance Fund – Sewer Bonds Division's Construction Projects line item (Account Number 590-4843-881.80-47) be increased from \$265,752.00 to \$4,765,752.00, which equates to a \$4,500,000.00 increase. This increase will be offset by an increase to the Sewer Operations and Maintenance Fund's - Bond Proceed line item (Account Number 590-0000-696.0000) by \$4,500,000.00. The revenue will be made available by the State of Michigan Revolving Fund in the form of a loan and ARRA funds.

Justification:

On November 17, 2009, the City received bids for the Wastewater Treatment Plant Aeration Basin Improvements project. This project includes replacement of 20 aerators, originally installed as part of the 1969 Wastewater Treatment Plant upgrade, addition of variable frequency drives for the aerators, structural tank repairs, and in

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place dissolved oxygen monitoring with computer control of the aeration system. The following is a tabulation of the bids received:

John E. Green Saginaw, MI	\$2,690,000.00
Titus Welding Company Farmington Hills, MI	\$2,733,000.00
Gerace Construction Midland, MI	\$ 2,827,000.00

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.