



ITEM REPORT UTILITIES COMMISSION

Agenda Date: 8/5/2026
Agenda Section: Information Only

Department Origination: Public Works

Agenda Item: Water Treatment Plant HVAC Improvements Project Monthly Update

Approval Required: No Action Required

BACKGROUND

7/28/2026 Update Nick Brula & Neil Heinonen

SEH is under contract to prepare plans and specifications for an HVAC Improvement Project at the City's Water Treatment Plant. MAU-3 (Makeup Air Unit 3) is nearing the end of its useful life and needs to be replaced. FC-2 (Fan Coil Unit 2) has failed and the City is temporarily using portable dehumidifiers to reduce humidity in the high service pump room. Both units are needed to provide fresh air exchanges in the Water Treatment Plant to reduce corrosion caused by chemical vapors and humidity.

Work Completed:

- SEH, City Staff, and KA Mechanical staff met at the water plant to review the current layout and functionality of the system. The meeting consisted of background discussion regarding the buildings system and operation, and comments from staff and KA Mechanical regarding the overall system and numerous desired improvements or suggested modifications. A second site meeting was held on April 30th with the same parties for additional field review of the systems.
- SEH prepared a report to document the existing system and recommend next steps for the project, and potential future projects to enhance the current HVAC system. SEH presented the report at the July meeting which identified current improvements and a potential 2nd phase of improvements in 2027.

Upcoming Work:

- Design and Bidding
- Contract Award and Construction

FINANCIAL IMPLICATIONS

Project costs will be covered under the City's Water Fund. The preliminary project budget is \$584,000.

Preliminary Project Budget:

Construction	\$450,000.00
Engineering	\$80,570.00
City Costs	\$15,000.00
Contingency	\$38,430.00
Total	\$584,000.00

STAFF RECOMMENDATIONS

UTILITY COMMISSION ACTION REQUESTED