



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of December 12, 2022

**Title/Subject**

Resolution No 2247- Award construction contract for Regional Water System Improvements Phase 1- 2023

**Summary and Background**

This resolution will award a construction contract for expansion of city-owned water transmission mains for supplying water to customers within the city using water originally purchased from the Regional Water System.

Amazon Data Services will soon build a campus of data centers near the intersection of Feedville Road and Kelli Boulevard within the city limits. This campus requires 1,400 gallons per minute of water capacity at peak demand times, and requires delivery of this capacity no later than September, 2023. Meanwhile, the company is contemplating up to two additional future campuses along Feedville Road, which will each require similar amounts of cooling water. The lead-time required to provide the full amount for three campuses made it impossible to meet the September, 2023 deadline for the first campus. Therefore, Phase 1 will be completed in 2023, followed immediately in 2024 by Phase 2.

A major benefit of this arrangement is that Phase 1 will extend existing city-owned 16" water main in Feedville, and connect it to the City's system in Kelli Boulevard. Upon commissioning of Phase 2, then ADS will switch entirely off of the Phase 1 improvements, and the City will then have an additional 1,500GPM of potable water delivery capacity to the Southeast quadrant of the City; greatly improving system reliability and capacity for future industrial growth.

**Tie-In to Council Goals**

17. Implement Water Supply Components of Master Plan

**Fiscal Information**

The Phase 1 and Phase 2 improvements are paid for entirely by Amazon through a reimbursement agreement. So the project will flow through the City's books, and require a budget supplement for the expense, but will be reimbursed 100% by Amazon.

This project received very good interest from the construction community, with six qualified bids submitted. The bids are as follows:

- Rotschy, Inc.:	\$2,808,813
- (Engineer's Estimate):	\$3,129,850
- Tapani, Inc.:	\$3,167,000
- Goodman & Mehlenbacher Enterprises, Inc.:	\$3,284,545
- DelHur Industries, Inc.:	\$3,482,167
- Silver Creek Contracting, LLC:	\$3,499,491
- R&G Excavating, Inc.:	\$3,637,890

### **Alternatives and Recommendation**

#### **Alternatives**

1. Award contract to Rotschy, Inc.
2. Reject all bids & re-advertise

#### **Recommended Action/Motion**

The bid from Rotschy is acceptable to Anderson Perry engineering. Additionally, Rotschy has a long track-record of similar type work in the region.

Motion to approve Resolution 2247

#### **Submitted By:**

Mark Morgan