
Meeting Date: April 14 2025

Subject: Wastewater Treatment Plant Indirect Biosolids Dryer System – Equipment Only Contract Bond

Attachments: Resolution and Contract Amendment No. 1

Presented by: Mike Heit, PE – HLA Engineering and Surveying

Approved for Agenda by: Dan Ford, PE – City Manager

Discussion:

The City's of Toppenish Public Works Department, will be opening a public bid for the Wastewater Treatment Plant (WWTP) Indirect Biosolids Dryer System – Equipment Only on April 17, 2025.

In accordance with RCW 39.08.010 and 39.08.030, the project specifications are requiring a contract bond equal to the full contract price of the successful bid amount. However, RCW 39.08.030 allows cities to determine the bond amount, if they so choose, as long as the bond is a minimum of twenty-five percent (25%) of the contract price. For this project, the contractor (supplier), will not be performing any public works contracting duties, but rather supplying the Indirect Biosolids Dryer System equipment. The project specifications limit progress payments to seventy percent (75%) of the contract price, with twenty five percent (25%) provided after delivery to project site; and five percent (5%) with completion of startup and training, and final acceptance of project.

Therefore, the request is for contract bond to be adjusted to seventy percent (75%) of the contract price, matching the equipment progress payments prior to equipment delivery.

Fiscal Impact:

A contract bond costs a contractor a percentage of the bond amount based on the contractor's bonding history. Equipment only public works contracts are not a common occurrence, so equipment suppliers do not have a great amount of bonding history and therefore pay the highest bonding percentage rate. A reduction in the contract bond percentage amount will result in the ability for more interest in the project from equipment suppliers while still providing the coverage of any expended funds made through the progress payments.

Recommendation:

Approve Resolution 2025-23: A Resolution of the City Council of the City of Toppenish, Washington, reducing the Wastewater Treatment Plant Indirect Biosolids Dryer System – Equipment Only contract bond amount to seventy percent of the contract price.

Alternatives:

Leave the contract bond at one hundred percent of the contract price **or** Delay authorization to a later meeting for presentation and consideration of additional project information from consultant and staff.