



BOARD OF TRUSTEES
Special Meeting Agenda
205 East State Street
April 13, 2023 12:00 Noon

1. Roll Call
2. Approval of Agenda
3. **Decision:** Review and approve bid for and authorize Notice of Award for Membrane Procurement Contracts for the Marshalltown Water Works Membrane Equipment



April 10, 2023

Ms. Shelli Lovell
Marshalltown Water Works
205 E. State Street
Marshalltown, IA 50158

RE: Marshalltown Water Works
Reverse Osmosis Membrane Procurement Package
Recommendation of Award of Procurement Contract

Dear Ms. Lovell,

The Marshalltown Water Works (MWW) opened bids for the Marshalltown Water Works Reverse Osmosis Membrane Procurement Package Project on March 16, 2023. Two (2) bid proposals were received. The Bid from Harn RO Systems (Harn) for the reverses osmosis system equipment and special services was \$2,423,920.39. WesTech's bid was \$2,457,210.00 without including their technical and commercial exceptions and clarifications. The Engineer's estimate was \$2,288,500, which is within approximately 5% of the lowest bid proposal received.

The bid proposals were evaluated based on a 20-year present worth. The original bid results are provided as an attachment to this letter. After careful review of each of the bids, The Harn bid proposal was deemed responsive and does not appear to have included significant exceptions or clarifications. HDR determined that the WesTech bid proposal contained several significant non-conformities with the Procurement Contract Documents. As a result, the WesTech proposal was deemed non-responsive. This has been communicated to WesTech who has acknowledged HDR's non-responsive determination. The examples below demonstrate areas of the WesTech proposal that were found to be non-responsive.

- The WesTech bid proposal excluded items which would be of significant cost and that were specified in the Contract Documents. These included variable frequency drives (VFDs), quality testing of process pumps, and high performance butterfly valves with rotary vane type pneumatic actuators. The addition of each of these components would have increased the total price submitted under Bid Schedule A (RO System Equipment and Services).
- The Westech bid proposal indicated that the operating cost provided in Bid Schedule B and the membrane and cartridge filter replacement cost provided in Bid Schedule C could not be guaranteed. This provided the WesTech proposal with an unfair cost advantage as compared to the Harn bid which indicated no exception to the required operating and membrane replacement cost guarantees.

- The bid proposal sought to change the Contract Documents by adding several commercial clarifications and exceptions to the Procurement Contract Documents that were believed to be significant and to increase risk to MWW.

Harn is the lowest, responsive bidder. HDR has successfully worked with Harn in the past and is familiar with their quality of work. HDR knows of no reason to disqualify Harn or to consider Harn incapable of providing the RO equipment and services for this Project. Based on the information summarized above, HDR recommends that the MWW award the equipment procurement contract in the amount of \$2,423,920.39 to Harn.

HDR also recommends that the MWW accept the 5-year membrane element warranty recently offered by Hydranautics in lieu of the 3-year warranty originally provided in each bid proposal. An adjusted bid form for Harn reflecting the updated warranty, as well a correction to the pumping condition for the high pressure RO feed pumps is also attached to this letter for your reference.

Sincerely,
HDR Engineering, Inc.

Rob Baker, P.E.
Project Manager

Enclosures: Bid Tabulation

Harn RO 310 Center Court Venice, Florida 34285		
Bid Item Number	Unit Price	Total Price
A-1	\$181,794.03	\$181,794.03
A-2	\$2,169,408.75	\$2,169,408.75
A-3	\$72,717.61	\$72,717.61
Bid Schedule A		\$2,423,920.39
B-1		\$1,363,408.04
B-2		\$1,578,996.95
Bid Schedule B		\$2,942,404.99
C-1		5
C-2		\$600.00
C-3		\$6.40
Bid Schedule C		\$1,547,390.63
Bid Schedule D		\$6,913,716.01

1 2023/04/07

2 **SECTION 00 51 16**

3 **NOTICE OF AWARD FOR MEMBRANE PROCUREMENT CONTRACTS**

4
5 **Marshalltown Water Works**
6 **Reverses Osmosis Membrane Procurement Package**

7
8 Dated April 13, 2023

9
10
11 TO: Harn RO Systems Inc.
12 (Successful BIDDER)

13
14 ADDRESS: 310 Center Court, Venice Florida 34285

15
16
17
18 CONTRACT FOR: Reverses Osmosis Membrane Procurement Package for the Marshalltown Water
19 Works --

20
21 _____
22
23
24 Within Fifteen (15) days of Notice of Award, you must deliver to the Buyer (with copies to
25 ENGINEER):

- 26
- 27 ■ Certificates of insurance are required to be purchased and maintained in accordance with the
 - 28 Contract Documents.
 - 29 ■ Signed Copy of the Agreement.
 - 30 ■ Bonds are required to be purchased and maintained in accordance with the Contract Documents.
 - 31 ■ All applicable licenses required by the contract documents.
- 32

33
34 Marshalltown Water Works
35 (Buyer)

36
37
38 By: _____
39 (Buyer's Authorized Signatory)

40
41
42 **END OF SECTION**
43