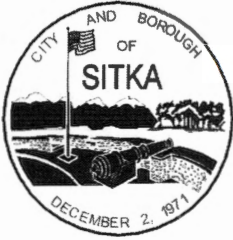


## **POSSIBLE MOTION**

**I MOVE TO** authorize the Interim Municipal Administrator to reject a bid from Little Susitna for refrigeration repairs at the Marine Service Center and execute a contract with Wyatt Refrigeration in the amount of \$99,980 to replace the primary condenser at the Marine Service Center.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

To: Mayor Gary Paxton and Assembly Members  
From: Hugh Bevan, Interim Municipal Administrator *HB*  
Date: December 3, 2019  
Subject: Marine Services Center – Primary refrigeration condenser replacement

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### Background

The MSC refrigeration system operates with a single, large condenser. The existing unit was last replaced in 2005 by Wyatt Refrigeration. It has reached the end of its useful life. Replacement is needed to insure freezing conditions are not lost within the cold storage.

Wyatt has been performing maintenance on the MSC equipment since 2003 and has done an excellent job.

The project budget is

Budgeted amount	\$200,000
Expenses to date	17,610 (engineering and advertising)
Contingency	<u>20,000</u>
Available budget	\$162,390

On October 30, 2019 CBS received bids to furnish and install a new compressor. Three bids were received:

Wyatt Refrigeration	\$ 99,980
Little Susitna	\$198,000
Permacold Engineering	\$254,688

Unfortunately, Wyatt did not include a Bid Bond and the City declared all bids non responsive. The other two bids were substantially over budget.

A second round of bidding was advertised. This time CBS declared the budget amount of \$160,000 in the bid documents.

On November 13, 2019 the only bid was opened and Little Susitna restated their original price of \$198,000.

### Analysis

Wyatt states they will honor their original bid of \$98,980 and complete the work by March 1, 2020. Based on substantial positive work history with Wyatt we believe they can honor their bid price.

### Fiscal Note

The financial aspects of this procurement are listed above under Background.

### Recommendations

1. Reject the November 13, 2019 bid from Little Susitna because it is greater than the budgeted amount that was stated in the re-bid documents.
2. Execute a contract with Wyatt Refrigeration in the amount of \$99,980 to replace the primary condenser unit at the Marine Services Center.