

## City of Sidney, MT Water and Sewer Committee Meeting 7/15/25 July 15, 2025 11:00 AM 115 2nd Street SE | Sidney, MT 59270

The City Council meetings are open to the public attending in person, with masks encouraged when social distancing cannot be accomplished. If the public does not wish to participate in person, they are also invited to participate via a Zoom meeting. You can participate via phone:

Meeting ID: 713 080 5898 Passcode: 4332809 Call: 1-346-248-7799

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Alderman Present: Buxbaum, DiFonzo and Larson

Other's Present: Mayor Norby, PWD Hintz, City Attorney Kalil, Clerk/Treasurer Chamberlin, Water Commissioner Tiesen, Jordan Mayer (Interstate Engineering) and via zoom Dean Peterson (Interstate Engineering) and Kal Tucker (Maguire)

## 1. New Business

## a. North Park Water Tower Replacement Project Phase 2 Bids

Mr. Mayer provided the Committee with a due diligence memo, which he outlined. Mr. Mayer stated that since the lowest two bids were so close, they did their due diligence on both bids. He stated both are responsible bidders who submitted everything requested with the exception that Gerard's experience did not meet requirements and are not doing any work in this area, whereas Maguire has the required experience and has and is working in this area.

Mr. Mayer stated per the instructions to bidders, the City can award the bid to the lowest responsible bidders and City Attorney Kalil agreed, just have to have a reasonable reason to not award the lowest bidder. Mr. Mayer stated this project is higher than other similar projects due to everything having to be American made and a building/control room inside the tank making the tank itself unique, fencing, concrete work and being generally ADA and utility worker accessible.

Alderman DiFonzo asked why this project was \$1 million higher than estimate, Mr. Mayer stated the painting and the foundation cost and 12% on the mobilization (profit, overhead, subcontractor mockup, getting to the site). Alderman DiFonzo stated in the future the estimates should have the

maximum MOB. Mr. Mayer stated the foundation Geotech supplied by Interstate Engineering is taken by the contractors and they design their own foundation, and it took them by surprise on the cost. Alderman DiFonzo stated he would like to see working with contractors to get better numbers and Mr. Mayer stated they worked with Pheonix who did not ultimately bid due to scheduling, and Mr. Peterson stated they did look at the foundation costs and felt they had a good grasp on it but the prices are rising faster than they estimated. Alderman DiFonzo stated it is better to have the bids come in less and not have to go back to the people and raise the rates again because the bids came in higher. Mr. Mayer stated in 2019 when we set the rate, the project has almost doubled, but thanks to numerous factors, the City has the capacity to bond likely up to \$13 million without raising water rates, so we are still able to award without raising water rates if the council does not want to. Mr. Mayer also stated both contractors agreed to look into valued engineering to possibly cut costs.

Motion was made to recommend award with the condition of legal and SRF concurrence to Maguire for the North Park Elevated Water Tower Replacement (Phase 2) Project.

Motion made by DiFonzo, Seconded by Larson. Voting Yea: Buxbaum, DiFonzo, Larson

Mr. Mayer provided the Water/Sewer Committee with an updated project budget estimate for a roughly \$8.8 million SRF loan. He stated the Council could choose to increase rates even though it is not project specifically needed. Alderman DiFonzo asked if deciding on the bond and rates are a separate issue to be decided on and Clerk/Treasurer Chamberlin stated yes to approve the bond there will be resolutions and a process, but the payments and rates will be looked at with the FY budget.

Meeting adjourned at 11:27am.