



**Meeting Date:** August 1, 2016

**Consent Docket Item:** 2-a

**Report No.:** SUA-16-40

**Department:** Water Resources

**Subject:** Bid Award for Water 2040, Package A, Project 15WC02: Central and 44<sup>th</sup> Water Towers

**Budget Impact:** Construction for this project will be funded with proceeds from the Water 2040 Package A loan.

On a monthly basis, City staff will receive and review construction invoices and will prepare a loan disbursement request for submission to ODEQ. Upon ODEQ review and approval of the request, OWRB will disburse loan proceeds for the requested amount to the SUA Water 2040 Package A Loan Fund. These funds will then be used by Water Resources staff to pay the contractor.

**Prior Council Action or Part of an Approved Project:** Yes

**Related Items:**

Southwest Zone (Phase 1) Water Distribution Improvements, December 17, 2012

[SUA-12-42](#)

Professional Services Agreement for Program Management, Design, and Construction Management for the Southwest Zone (Phases 2 & 3) Water Distribution Improvements, February 4, 2013

[SUA-13-05](#)

Central Tower OSU Exchange Agreement, November 16, 2015

[CC-15-136](#)

Central Tower Real Estate Acquisition, January 4, 2016

[CC-16-01](#)

A Resolution authorizing the filing of an application with the Oklahoma Water Resources Board, January 4, 2016

[SUA-16-06](#)     [CC-2016-02/SUA-2016-01](#)

Water 2040 Implementation Plan III, February 1, 2016

[SUA-16-10](#)     [Info Memo](#)     [Att I](#)     [Att II](#)

Water 2040 Resolution of Reimbursement for Package A, March 7, 2016

[CC-16-23](#)     [CC-2016-10/SUA-2016-02](#)

Water 2040 Resolution of Reimbursement for Package B, May 2, 2016

[CC-16-53](#)     [CC-2016-15/SUA-2016-03](#)

Letter of Binding Commitment with DWSRF for Package A at \$29.9 Million, June 6, 2016

[SUA-16-26](#)

A Resolution accepting a \$29,900,000 loan from the Oklahoma Water Resources Board, June 20, 2016

[CC-2016-20](#)    [SUA-2016-6](#)

City's Website Page for Water 2040

[Water 2040 Description](#)

**Alternatives:** The alternatives include:

- Award the Central and 44<sup>th</sup> Water Towers to Caldwell.
- Re-bid the project. The current bid prices are low relative to the engineer's estimate.

**Recommendation:** It is recommended that the Trustees:

- award the bid for the project to the lowest responsible bidder, Caldwell Tanks, Inc. (Caldwell), in the amount of \$5,414,000,
- authorize staff to execute the construction contract for the above amount,
- authorize staff to procure services for construction inspection and testing services in an amount not to exceed \$321,000, and
- authorize \$6,308,500 in total project expenditures, which includes construction, testing, inspection and a 10% contingency.

**Prepared by:** Eric Fladie, Water 2040 Program Manager, Water Resources Department

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**Background Information:** On February 1, 2016, Trustees authorized Water 2040 Implementation Plan III. This subject construction package includes program priority projects three and four, construction of the Central and 44<sup>th</sup> Water Towers. The bid package was advertised on June 12, 2016 and bids were opened on July 13, 2016. Three bids were received and are summarized below along with the Engineer's estimate.

<b>Bidder</b>	<b>Amount</b>
<i>Engineer's Estimate - CH2M HILL</i>	<i>\$ 7,432,823.09</i>
Caldwell Tanks, Inc.	\$ 5,414,000.00
Landmark Structures I, L.P.	\$ 5,768,000.00
CB&I Inc.	\$ 9,089,000.00

The design engineer reviewed Caldwell's bid package and recommended that Caldwell be awarded the contract based on demonstrated qualification and experience in successfully completing water towers of similar size and construction within the past five years.

The new Central Tower will be located adjacent to the existing OSU water tower on west McElroy Road. The Central Tower will interfere with WiFi signals being transmitted from communications infrastructure currently located on the top the OSU tower. Staff is working with OSU to develop a plan for relocating this infrastructure. Once a plan is ready, staff will present an agreement and associated cost for this action to the Trustees.