Meeting Date: September 11, 2017

Report No. SUA-17-29  Agenda Item No. 2b

Purpose: Bid award recommendation for construction of a new transmission water line along S. Western Road and W. 32nd Avenue (SUA 15WC04) and replacement of an existing water line north of Sangre and 32nd Avenue (SUA 17WL01).

Budget Impact: No additional appropriations are necessary for this action. Construction for SUA Project 15WC04 will be funded with proceeds from the Water 2040 Package B Loan. This is the first DWSRF Package B funded project. Construction for SUA Project 17WL01 will be funded by the Water Capital Fund.

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 (Attached)


Water 2040 Implementation Plan III, February 1, 2016
SUA-16-10  Info Memo  Att I  Att II

Water 2040 Resolution of Reimbursement for Package B, May 2, 2016
CC-16-53  Att I  CC-2016-15/SUA-2016-3

A Resolution authorizing the filing of an application with the Oklahoma Water Resources Board for Water 2040 Package B Financing, March 20, 2017
CC-17-35 / SUA-17-04  CC-2017-2/SUA-2017-1

Letter of Binding Commitment with Drinking Water State Revolving Fund for Water 2040 Package B loan of $12.6 million, September 11, 2017, SUA-17-28 (Item 5a on this agenda)

SUA Resolution 2017-6 accepting a $12.6 million loan from the Oklahoma Water Resources Board (Item 6a on this agenda)
Alternatives: The alternatives include:

- Award the projects to the lowest responsible bidder.
- Reject all bids and re-bid the projects. The current bid prices are competitive and low relative to the engineer’s estimate.
- Cancel the project. Installation of these water lines is critical for improving and maintaining distribution to the Deer Crossing and Woodland Trail areas, which are currently served by a temporary booster pump station.

Recommendation: Staff recommends that the Trustees:

- Award the bid to the lowest responsible bidder, McKee Utility Contractors, Inc. (McKee), in the amount of $4,364,910;
- Authorize staff to execute the construction contract for the above amount;
- Authorize staff to procure services for construction inspection and testing in an amount not to exceed $87,000 (2% of construction costs); and
- Authorize $4,897,101 in total projects expenditures, which includes construction, inspection and testing, and a 10% contingency ($445,191).

Prepared by: Eric Fladie, Senior Project Manager, Water Resources Department

Reviewed by: William Millis, WR Director Reviewed by: Dan Blankenship, Deputy City Manager

Submitted by: Norman McNickle, City Manager

Attachments: SUA-12-42
SUA-13-05
Engineer’s Bid Award Letter August 17, 2017
Location Map

Background Information: On February 1, 2016, Trustees authorized Water 2040 Implementation Plan III. Project 15WC04 is priorities 8 & 9 for the Water 2040 Program.

During the summer of 2016, Field Services responded to numerous water main breaks along a 1,300-foot section of line along the east side of South Sangre Road, north of 32nd Avenue. These breaks became frequent and significantly impacted water service to nearby neighborhoods. Although crews were able to successfully repair the leaks, it was determined that the old pipe is severely degraded and needs replaced to prevent future, more significant interruptions. Since this section of water line is directly adjacent to the Water 2040 project and complimentary in nature, they were designed and bid together. This is the most efficient and cost effective delivery approach resulting in economy of scale savings for consultant design and contractor construction.
The bid package was initially advertised beginning July 11, 2017 and bids were opened on August 9, 2017. Eight bids were received and are summarized below along with the Engineer’s estimate.

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Engineer's Estimate - CH2M HILL</td>
<td>$ 4,930,000.00</td>
</tr>
<tr>
<td>Webb Construction, Inc.</td>
<td>$5,265,515.49</td>
</tr>
<tr>
<td>Mckee Utility Contractors, Inc.</td>
<td>$4,364,910.00</td>
</tr>
<tr>
<td>McGuire Brothers Construction, Inc.</td>
<td>$5,818,000.00</td>
</tr>
<tr>
<td>Cimarron Construction, LLC.</td>
<td>$5,810,550.00</td>
</tr>
<tr>
<td>Matthews Trenching, Inc.</td>
<td>$5,824,750.00</td>
</tr>
<tr>
<td>BRB Contractors, Inc.</td>
<td>$5,016,550.00</td>
</tr>
<tr>
<td>KAJACS Contractors, Inc.</td>
<td>$4,874,225.00</td>
</tr>
<tr>
<td>Crossland Heavy Contractors, Inc.</td>
<td>$4,498,500.00</td>
</tr>
</tbody>
</table>

The design engineer reviewed Mckee's bid package and recommended that Mckee be awarded the contract based on assessment of their qualifications, experience in successfully completing water distribution work of similar size and type of construction, and feedback from ODEQ and other Oklahoma municipal references.

Construction inspection services are needed for this project due to the use of a specialized large diameter pipe boring technique for installation next to pond dams and congested underground utility areas.