



City of Norman, OK

Municipal Building Council
Chambers
201 West Gray Street
Norman, OK 73069

Text File

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Title

CONSIDERATION OF AWARDING OF BID NO. 1213-32, THE NORMAN UTILITIES AUTHORITY'S APPROVAL OF CONTRACT NO. K-1213-65 WITH CENTRAL CONTRACTING SERVICES, INC. IN THE AMOUNT OF \$373,840; PERFORMANCE BOND NO. B-1213-65; STATUTORY BOND NO. B-1213-66, AND MAINTENANCE BOND NO. MB-1213-15 FOR THE APPLE CREEK WATER LINE CONSTRUCTION PROJECT AND BUDGET APPROPRIATION.

Body

BACKGROUND: Capital project WA0041 provides for replacement of about 2,800 feet of ductile iron (DI) water main with C900 Polyvinyl Chloride (PVC) pipe in the Apple Creek Apartment area of Prairie Creek Addition. The D.I. pipe is not compatible with the acidic soil and is failing, causing extensive damage to driveways, streets, and yards.

On August 25, 2009, the Norman Utilities Authority (NUA) approved Contract No. K-0910-62 with Cardinal Engineering for on-call engineering and drafting services and Contract No. K-0910-55 with Lemke Land Surveying for on-call surveying. The Apple Creek project is the type of basic engineering work that the on-call contracts are meant to address. The waterline replacement design was performed by staff with the assistance of Cardinal Engineering and Lemke Land Surveying.

DESCRIPTION: Advertisement for Bid No. 1213-32 for construction of the Apple Creek Water Line Project was published in the Norman Transcript on February 7th and February 14th, 2013. Six bidders submitted bids for this project on February 28, 2013. As shown on the attached bid tabulation, Central Contracting Services, Inc. of Norman, Oklahoma was the low bidder at \$373,840 with other bids ranging between \$517,851 and \$1,058,700. Staff estimated the construction cost to be \$449,580. Staff has reviewed the bids and recommends the NUA award the bid to Central Contracting Services, Inc. in the amount of \$373,840.

The Apple Creek Waterline Project is funded through Water Distribution System Construction (031-9360-462.61-01; project WA0041). The FYE 2013 budget has an unencumbered balance of \$196,363 for this project. Additional construction funds are required from the Water Fund Balance (account 031-0000-253.00-00). Funds needed include \$373,840 for Contract No. K-1213-65, \$8,400 for new meters, and \$38,224 for a 10% contingency for a total of \$420,464. With \$196,363 available, additional funds totaling \$224,101 are required for the Apple Creek Water Line Project.

The City of Norman is exempt from the payment of any sales or use taxes. Pursuant to Title 68 O.S., Section 1356(10) and as allowed by Oklahoma Tax Commission Rules Part 27 Trust Authority 710:65-13-140, direct vendors to the NUA are also exempt from those taxes. A bidder and his subcontractors may exclude from their bid sales taxes on appropriate equipment, materials, and supplies that will not have to be paid while acting on behalf of the NUA. To minimize project costs, the NUA will make payment directly to vendors supplying equipment and materials for incorporation into the project.

RECOMMENDATION: It is recommended that the NUA accept the bids received in response to Bid No. 1213-32 and award the bid to Central Contracting Services, Inc. of Norman, OK. It is further recommended that the NUA authorize the appropriation of funds in the amount of \$224,101 from Water Fund Balance (account 031-0000-253.00-00) to Water Distribution System Construction (account 031-9360-462.61-01; project WA0041), and that the NUA approve Contract K-1213-65 in the amount of \$373,840 with Central Contracting Services, Inc., Maintenance Bond MB-1213-15, Performance Bond

B-1213-66, and Statutory Bond B-1213-67; all bonds being in the amount of the construction contract. Finally, it is recommended that the NUA authorize and direct the Utilities Director to approve the purchase of equipment and materials for this project directly from vendors at prices agreed to by Central Contracting Services, Inc.