



# City of Norman, OK

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

## Master

**File Number: K-1213-138**

**File ID:** K-1213-138

**Type:** Contract

**Status:** Consent Item

**Version:** 1

**Reference:** Item No. 10

**In Control:** City Council

**Department:** Utilities Department

**Cost:** \$337,394.00

**File Created:** 06/06/2013

**File Name:** Contract for Tecumseh Interceptor Project

**Final Action:** 06/25/2013

**Title:** CONSIDERATION OF BID NO. 1213-66, CONTRACT NO. K-1213-138 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND CENTRAL CONTRACTING SERVICES IN THE AMOUNT OF \$337,394; PERFORMANCE BOND NO. B-1213-61; STATUTORY BOND NO. B-1213-62, AND MAINTENANCE BOND NO. MB-1213-56 FOR THE TECUMSEH INTERCEPTOR PROJECT AND BUDGET TRANSFER.

**Notes:** ACTION NEEDED: Acting as the Norman Utilities Authority, motion to accept or reject all bids meeting specifications; and, if accepted, award the bid in the amount of \$337,394 to Central Contracting Services, Inc., as the lowest and best bidder meeting specifications; approve Contract No. K-1213-138 and the performance, statutory, and maintenance bonds; authorize the execution of the contract and bonds and the Norman Utilities Authority as part of the contract to pay vendors supplying equipment and materials for the Sewer Maintenance Project FYE 2011; direct the filing of the bonds; and transfer of funds in the amount of \$78,261 from Sewer Excise Tax Fund Balance (322-0000-253.00-00) to Project WW0262, Tecumseh Interceptor, Construction (322-9048-432.61-01).

ACTION TAKEN: \_\_\_\_\_

**Agenda Date:** 06/25/2013

**Agenda Number:** 10

**Attachments:** Text File, K-1213-138\_Bid\_Summary.pdf,  
K-1213-138, Perf B-1213-61, Stat B-1213-62,  
MB-1213-56, TecumsehInterceptorMap.pdf

**Project Manager:** Jim Speck, Capital Projects Engineer

**Entered by:** jim.speck@normanok.gov

**Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

### Text of Legislative File K-1213-138

Body

**BACKGROUND:** The Wastewater Master Plan (WWMP) identified sewer interceptor needs throughout Norman to accommodate full build-out of the Norman 2020 Land Use and Transportation Plan. One of the projects identified in the WWMP was the construction of the Tecumseh Interceptor.

The Tecumseh Interceptor project (WW0262) begins at the existing Tecumseh Lift Station, extends across Tecumseh Road and then generally northeast through Tecumseh Road Business Park and Founders Park Addition before connecting to the Little River Interceptor west of 12th Avenue NW. The Tecumseh Lift Station and storage lagoon will be abandoned upon completion of the interceptor.

On July 12, 2005, the Norman Utilities Authority (NUA) approved contract K-0506-53, with Garver Engineers, LLC to complete preliminary design, final design, bidding, and construction management services for the Industrial and Tecumseh Interceptors. The Industrial Interceptor project (capital project WW0302) construction project was completed June 8, 2009.

Obligated interceptor needs, serving existing customers and contractual obligations as of August 2001, are funded by the Sewer Sales Tax (SST). The Sewer Excise Tax (SET) funds enlargement of interceptors to serve full build out development under the Norman 2025 Land Use and Transportation Plan.

**DESCRIPTION:** Advertisement for Bid No. 1213-66 for construction of the Tecumseh Interceptor Project was published in the Norman Transcript on April 18th and April 25th, 2013. Five bidders submitted bids for this project on May 16, 2013. As shown on the attached bid tabulation, Central Contracting Services, Inc. of Norman, Oklahoma was the low bidder at \$337,394 with other bids ranging between \$415,823 and \$564,958. The Engineers Estimate for the construction cost was \$650,000. Garver Engineers has reviewed the bids and recommends the NUA award the bid to Central Contracting Services, Inc. in the amount of \$337,394.

Funding for the project is based on the area of the sewer pipe (8-inch diameter) serving obligated needs versus the total area of the pipe (12-inch diameter) serving both obligated and full build-out needs. Therefore, the funding share calculation would be 56% (\$188,941) from the Sewer Excise Tax and 44% (\$148,453) from the Sewer Sales Tax for a total of \$337,394.

As of June 10, 2013 the Tecumseh Interceptor project has funding of \$120,127 from Sewer Excise Tax (322-9048-432.61-01) and \$296,428 from Sewer Sales Tax (323-9048-432.61-01) in the respective construction accounts. Therefore, funds will need to be appropriated from the SET Fund Balance (322-0000-253-0000) in the amount of \$68,814 (\$188,941-\$120,127) with a 5% contingency added \$9,447 (5%\* \$188,941) for a total appropriation of \$78,261.

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 NO. 1:** Recommend the NUA accept the bids received in response to NUA Bid No. 1213-66 and authorize award of the bid to Central Contracting Services, Inc. of Norman, OK.

**RECOMMENDATION No. 2:** Recommend the NUA authorize the transfer of funds in the amount of \$78,261 from SET Fund Balance (322-0000-253-0000) to Construction Account 322-9048-432.61-01 for Project WW0262.

**RECOMMENDATION No. 3:** Recommend the NUA authorize the Chairman to sign Contract K-1213-138 in the amount of \$337,394 with Central Contracting Services, Inc.

**RECOMMENDATION No. 4:** Recommend the NUA authorize the Mayor to sign Maintenance Bond MB-1213-56, Performance Bond B-1213-61, and Statutory Bond B-1213-62; all bonds being in the amount of the construction contract.

**RECOMMENDATION No. 5:** Recommend the NUA allow the Utilities Director to approve the purchase of equipment and materials directly from vendors at prices agreed to by Central Contracting Services, Inc.