



# City of Norman, OK

Municipal Building  
Council Chambers  
201 West Gray  
Norman, OK 73069

## Master

**File Number: K-1516-53**

**File ID:** K-1516-53

**Type:** Contract

**Status:** Consent Item

**Version:** 1

**Reference:** Item 12

**In Control:** City Council

**Department:** Utilities Department

**Cost:** \$207,500.00

**File Created:** 12/24/2015

**File Name:** Bishop Creek Water Line Crossing

**Final Action:**

**Title:** CONSIDERATION OF BID 1516-30, CONTRACT K-1516-53 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND MCKEE UTILITY CONTRACTORS, INC., IN THE AMOUNT OF \$207,500; PERFORMANCE BOND B-1516-15; STATUTORY BOND B-1516-16, AND MAINTENANCE BOND MB-1516-13 FOR THE BISHOP CREEK WATER LINE CROSSING PROJECT AND BUDGET APPROPRIATION FROM THE WATER FUND BALANCE.

**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 \$207,500 to McKee Utility Contractors, Inc., as the best bidder meeting specifications; approve Contract K-1516-53 and the performance, statutory, and maintenance bonds; authorize the execution thereof and the Norman Utilities Authority as part of the contract to pay subcontractors for equipment and supplies in the same approximate amount for the Bishop Creek Water Line Crossing Project; direct the filing of the bonds; and appropriate \$120,585 from the Water Fund Balance (031-0000-253.00-00) to Project WA0199, Bishop Creek Water Line Crossing Project, Construction (031-9683-462.61-01).

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

**Agenda Date:** 01/26/2016

**Agenda Number:** 12

**Attachments:** Map-Bishop Creek WL Crossing, Ltr of Recommendation, K-1516-53, Perf B-1516-15, Stat B-1516-16, MB-1516-13

**Project Manager:** Charlie Thomas, Capital Projects

**Entered by:** charlie.thomas@normanok.gov

**Effective Date:**

### History of Legislative File

| Ver-<br>sion: | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return<br>Date: | Result: |
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### Text of Legislative File K-1516-53

Body

**BACKGROUND:** During 2014, Water Line Maintenance staff discovered that a 12-inch waterline at the west

end of Cedar Lane had ruptured at an inaccessible location under Bishop Creek. The valves on either side of the creek were closed to prevent additional water loss, but that action also eliminated a secondary water feed to customers in the Eagle Cliff, Cobblestone, Cedar Lane, and Monterrey subdivisions in southeastern Norman (map attached). This project will replace the failed line with a new directional drilled, fused PVC water line under Bishop Creek.

**DISCUSSION:** An advertisement for bids was published in the Norman Transcript on November 26 and December 3, 2015. Three (3) bids were received and opened on December 17, 2015. McKee Utility Contractors, Inc. of Prague, OK was the low bidder at \$207,500. Work should begin during January 2016, with 90 days contract completion time.

The Fiscal Year Ending 2016 (FYE16) budget for the Waterline Replacement Project (project WA0199) includes an unencumbered balance of \$99,835 (rounded) in Construction (account 031-9683-462.61-01), a shortfall of \$107,665 from the low bid amount. Staff recommends a supplemental appropriation of \$120,585, the shortfall plus ten percent (10%) contingency, from the Water Fund balance (account 031-0000-253.00-00).

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 Norman Utilities Authority (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.

**STAFF RECOMMENDATIONS:** Staff recommends the NUA accept the bids received for Bid 1516-30 and award to the low bidder, McKee Utility Contractors, Inc. of Prague. Staff further recommends appropriation of \$120,585 from the Water Fund balance (account 031-0000-253.00-00) to Bishop Creek Water Line Crossing Project, Construction (account 031-9683-462.61-01; project WA0199).

Staff further recommends approval of Contract K-1516-53 with McKee Utility Contractors, Inc., in the amount of \$207,500, Performance Bond B-1516-15, Statutory Bond B-1516-16, and Maintenance Bond MB-1516-13, each in the contract amount. Staff further recommends that the Utilities Director be allowed to approve the purchase of equipment and materials for the project directly from vendors at prices agreed to by the Contractor.