



# City of Norman, OK

Municipal Building  
Council Chambers  
201 West Gray  
Norman, OK 73069

## Master

**File Number: K-1920-138**

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<b>File ID:</b> K-1920-138	<b>Type:</b> Contract	<b>Status:</b> Consent Item
<b>Version:</b> 1	<b>Reference:</b> Item 16	<b>In Control:</b> City Council
<b>Department:</b> Utilities Department	<b>Cost:</b> \$146,159.00	<b>File Created:</b> 06/30/2020
<b>File Name:</b> Water Treatment Plant Wet Laboratory Remodel Project		<b>Final Action:</b>

**Title:** CONSIDERATION OF AWARDING BID-1920-64, APPROVAL OF CONTRACT K-1920-138 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND ARROWHEAD INDUSTRIES, INC., IN THE AMOUNT OF \$155,839, CHANGE ORDER NO. ONE DECREASING THE CONTRACT AMOUNT BY \$9,680 FOR A REVISED CONTRACT AMOUNT OF \$146,159; PERFORMANCE BOND B-1920-95, STATUTORY BOND B-1920-96, AND MAINTENANCE BOND MB-1920-67 FOR THE WATER TREATMENT PLANT WET LABORATORY REMODEL PROJECT AND BUDGET APPROPRIATION.

**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 \$155,389 to Arrowhead Industries, Inc., as the lowest and best bidder meeting specifications; approve Contract K-1920-138, Change Order No. One decreasing the contract amount by \$9,680 for a revised contract amount of \$146,159 and the performance, statutory, and maintenance bonds; authorize execution of the contract and bonds and the Norman Utilities Authority as part of the contract to pay subcontractors for equipment and supplies for the Water Treatment Plant Wet Laboratory Remodel Project; direct the filing of the bonds; and transfer \$69,605 from the Water Fund Balance (031-29000) to Project WA0330, WTP Laboratory Remodel Construction (31999939-46101).

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

**Agenda Date:** 07/14/2020

**Agenda Number:** 16

**Attachments:** Bid Tabulation, Bid Recommendation, WA0330 City of Norman contract w\_Arrowhead Industries, Change Order, WA0330 City of Norman bond - signed

**Project Manager:** Geri Wellborn, Utilities Manager

**Entered by:** mary.gilmore@normanok.gov

**Effective Date:**

### History of Legislative File

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Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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**Text of Legislative File K-1920-138**

Body

**BACKGROUND:** The Vernon Campbell Water Treatment Plant (“Plant” or “WTP”) was built in the 1960’s; improvements to plant capacity and treatment were made in the 1980’s, 2010, and 2020. These projects did not renovate the interior of the Filter Building; this area is in use daily by staff in their work. A new bacteriological laboratory at the front of the building will provide better laboratory protocol by separating the operator’s WTP performance laboratory from the sensitive bacteriological laboratory. In addition, the public spaces are in use when staff provide tours to students and the community. It is important the public see a professional organization that takes pride in and maintains the facility.

On November 7, 2019, the NUA approved contract K-1819-66 with Barrett Williamson Architects, Inc., to design the remodel of the plant laboratory, Filter Building hallway, bathrooms, lighting, and floors.

Staff and the architect prepared the bidding documents to include a Total Base Bid and included Add Alternates 1, 2, and 3, which were for the filter building ceiling tile and lighting, door to laboratory, and floor tile, respectively.

**DISCUSSION:** The advertisement for bids was published in the Norman Transcript on March 5, 2020, and March 12, 2020. Project bids were opened on June 21, 2020, and three (3) bids were received. Arrowhead Industries, Inc., (“Arrowhead”) of Stratford, Oklahoma, was the low bidder at \$155,839. The bid results are shown in the attached letter from Barrett Williamson Architects, Inc.; Arrowhead’s construction estimate was \$155,839.

The Total Base Bid assumes demolition and replacement of existing laboratory cabinets and counter tops, ceiling, lighting and flooring. As shown on the attached bid summary, Arrowhead Industries was the low bidder at \$104,960 for the Total Base Bid; other bids of \$166,349 and \$187,400 were received.

The Add Alternate 1 provides for replacement of the ceiling tile in the Filter Building. As shown on the attached bid summary, Arrowhead Industries was the low bidder at \$29,500 for the Add Alternate 1; an increase of \$29,500 over the Base Bid. Other bids ranged between \$42,317 and \$42,400.

The Add Alternate 2 provides for replacement of the door to the laboratory. As shown on the attached bid summary, Sun Construction was the low bidder at \$1,400 for the Add Alternate 2; an increase of \$1,400 over Base Bid. Other bids ranged between \$2,300 and \$1,700.

The Add Alternate 3 provides for replacement of any floor not replaced by the Phase II Water Treatment Plant Expansion Project or the base bid. These areas include but are not limited to the following: Administrative Office; Server and Filter Panel Control Room; Hallway; Mezzanine;

and Supervisor Office. The work will replace old tile to match a pattern designed by the architect for the Administration Building. The existing Filter Building has a bridge to the new Administration Building. The pattern represents flowing water as if a river flows through the two buildings. As shown on the attached bid summary, Arrowhead Industries was the low bidder at \$14,150 for the Add Alternate 3; an increase of \$14,150 over Base Bid. Other bids ranged between \$17,672 and \$26,300.

Both Staff and Barrett Williamson Architects, Inc., recommend award to Arrowhead Industries, Inc., for the Total Base Bid and Add Alternates 1, 2, and 3.

A change order was negotiated with Arrowhead Industries by the architect for \$9,680. This change order will provide cost savings on the ceiling work by cleaning and refurbishing the ceiling grid to be reused with new ceiling tile.

The Fiscal Year Ending 2020 (FYE '20) budget for the WTP Laboratory Remodel includes an unencumbered balance of \$91,554 in Construction (Account Org 31999939, Object 46101, Project WA0330) which is not sufficient to fund the contract. However, staff recommends appropriating funds in the amount of \$54,605 from the Water Fund Balance (Account 31-29000) into WTP Laboratory Remodel Construction (Account 3199939, Object 46101, Project WA0330) to fully fund the 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 City of Norman 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 City of Norman. To minimize project costs, the NUA will make payment directly to vendors supplying equipment and materials for incorporation into the project.

Assuming contract approval on July 14, 2020, the contract time will start on July 28, 2020, with final completion within **60** calendar days or by September, 2020. We anticipate construction to begin in early July with completion of the project by September, 2020.

**RECOMMENDATION 1:** Recommend the NUA accept the bids received in response to Project Bid K-1920-64 and award the bid to Arrowhead Industries, Inc., of Stratford, Oklahoma.

**RECOMMENDATION 2:** Recommend the NUA approve Contract K-1920-138 and Change Order No. 1 to Contract K-1920-138 with Arrowhead Industries, Inc., with no change to the contract time or duration and a reduction in price to \$146,159.

**RECOMMENDATION 3:** Recommend the NUA approve Performance Bond B-192-95, Statutory Bond B-1920-96, and Maintenance Bond MB-1920-67; all bonds being in the amount of the construction contract.

**RECOMMENDATION 4:** Recommend the NUA allow the Utilities Director to approve the purchase of equipment and materials directly from vendors at prices agreed to by the

contractor.

**RECOMMENDATION 5:** Recommend the NUA approve fund appropriation in the amount of \$69,605 from the Water Fund Balance (Account 31-29000) into WTP Laboratory Remodel Construction (Account 31999939, Object 46101, Project WA0330).