



City of Norman, OK

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

Master

File Number: K-1213-66

File ID: K-1213-66

Type: Contract

Status: Consent Item

Version: 2

Reference: Item No. 8

In Control: City Council

Department: Utilities Department

Cost: \$1,054,480.00

File Created: 11/30/2012

File Name: K-1213-66 SE Bishop Creek Interceptor Project,
Phase II, Sections 2A and 2B

Final Action:

Title: CONSIDERATION OF THE AWARDING OF BID NO. B-1213-33; APPROVAL BY THE NORMAN UTILITIES AUTHORITY OF CONTRACT NO. K-1213-66 WITH KRAPFF-REYNOLDS CONSTRUCTION COMPANY IN THE AMOUNT OF \$1,054,480; PERFORMANCE BOND NO. B-1213-20; STATUTORY BOND NO. B-1213-21; AND MAINTENANCE BOND NO. MB-1213-16 FOR THE S.E. BISHOP INTERCEPTOR PROJECT, PHASE II, SECTIONS 2A AND 2B.

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 \$1,054,480 to Krapff-Reynolds Construction Company as the lowest and best bidder meeting specifications; approve Contract No. K-1213-66 and the performance, statutory, and maintenance bonds; authorize execution of the contract and the Norman Utilities Authority as part of the contract to pay subcontractors for equipment and supplies for the S.E. Bishop Intersection Project, Phase II, Sections 2A and 2B; and direct the filing of the bonds.

ACTION TAKEN: _____

Agenda Date: 12/18/2012

Agenda Number: 8

Attachments: Text File K-1213-66, Engineer's Recommendation,
K-1213-66, Perf B-1213-20, Stat B-1213-21,
MB-1213-16, Location map, PR Krapff Reynolds

Project Manager: Charlie Thomas, Capital Projects Engineer

Entered by: charlie.thomas@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File K-1213-66

Body

BACKGROUND: On June 10, 2003, the Norman Utilities Authority (NUA) approved Contract K-0203-154 with Chiang, Patel & Yerby, Inc., now CP&Y Inc., for design of improvements to the SE Norman Interceptors, now known as SE Bishop Interceptor project. The project has been broken into multiple phases to keep pace with ongoing development or allow additional time to acquire necessary easements.

On September 23, 2003, the NUA approved Contract K-0304-41 with Matthews Trenching Company, Inc., for

the construction of SE Bishop Interceptor, Phase 1 (WW0268). The project consisted of approximately 2,900 linear feet (LF) of 12-inch and 18-inch sewer, eliminated the Postal Lift Station and serves the United States Postal Service (USPS) and the Summit Valley subdivision. Construction of the project was complete on February 16, 2004 at a cost of \$413,041.

On August 8, 2006, the NUA approved Contract K-0607-36 with Jordan Contractors, Inc. for the construction of SE Bishop Interceptor Phase II, Section 1 (WW0267). The project consisted of approximately 2,300 LF of 18-inch and 24-inch sewer including boring of State Highway 9 and Classen Boulevard. This project was constructed in advance of the remainder of the Phase II project to keep pace with developments on the west side of Classen and south of Highway 9. Construction of the project was complete on January 26, 2007 at a cost of \$1,036,205.

The remainder of the Phase II, SE Bishop Interceptor project (WW0267) is broken into three phases. Section 2A consists of approximately 2,390 LF of 24-inch sewer serving Eagle Cliff and Cobblestone subdivisions and includes replacement of the existing aerial crossing of Bishop Creek at Cedar Lane. Section 2B consists of approximately 1,130 LF 24-inch sewer located north of State Highway 9 and west of Classen Boulevard. Section 2C consists of approximately 4,500 LF of 18-inch sewer located south of Highway 9 and east of Classen Boulevard.

DISCUSSION: The current phase of SE Bishop Interceptor project is known as Phase II, Sections 2A and 2B. Section 2C is delayed due to difficulties in acquiring required easements; this portion of the project will be bid separately in 2013.

An advertisement for bids was published in the Norman Transcript on October 4 and 11, 2012. Project bids were opened November 1, 2012 and six (6) bids were received. As shown in the attached letter from CP&Y, Krapff-Reynolds Construction Company was the low bidder at \$1,054,480; the engineer's estimate was \$1,181,275. Staff and CP&Y recommend award to Krapff-Reynolds. Work should begin in January with a five (5) month contract completion time.

Funding for replacement of existing sewer interceptors is pro-rated based on the pipe diameter for obligated flow versus the pipe diameter for the full build-out (FBO) flow. The funding split for Section 2A is 62.5% Sewer Sales Tax (SST) and 37.5% Sewer Excise Tax (SET) based on an obligated pipe diameter of 15 inches (paid by SST) and a FBO diameter of 24 inches (paid by SET). The funding split for Section 2B is 75% SST and 25% SET based on an obligated pipe diameter of 18 inches and a FBO diameter of 24 inches.

The bid price of \$1,054,480 is split between Phase 2A (\$704,992) and Phase 2B (\$349,488). Based on the pro-rated funding for each segment explained above, the overall funding for the project is 33.36% SET (\$351,744) and 66.64% SST (\$702,736). The Fiscal Year Ending (FYE) 2012 budget for the SE Bishop Interceptor (WW0267) includes an unencumbered balance of \$940,965 for the SET Construction (322-9048-432.61-01) and \$1,311,741 for SST Construction (323-9048-432.61-01) which is sufficient to fund the work.

After encumbering the funds noted above, approximately \$1,198,000 (\$589,000 SET and \$609,000 SST) will remain to fund the Phase II, Section 2C SE Bishop Interceptor 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.

STAFF RECOMMENDATIONS:

- 1) Recommend the NUA accept the bids received in response to Project Bid 1213-33 and award to the low bidder, Krapff-Reynolds Construction Company of Oklahoma City.
- 2) Recommend the NUA authorize the Chairman to sign Contract K-1213-66 with Krapff-Reynolds

Construction Company, in the amount of \$1,054,480.

3) Recommend the NUA approve, and direct the filing of , Performance Bond B-1213-20, Statutory Bond B-1213-21, and Maintenance Bond MB-1213-16; each in the contract amount.

4) Recommend the NUA allow the Utilities Director to approve the purchase of equipment and materials for SE Bishop Interceptor, Phase II, Sections 2A and 2B directly from vendors at prices agreed to by the contractor.