



City of Norman, OK

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

Text File

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Title

CONSIDERATION OF BID NO. 1213-58, NORMAN UTILITIES AUTHORITY APPROVAL OF CONTRACT NO. K-1213-129 WITH BRB CONTRACTORS, L.L.C., IN THE AMOUNT OF \$788,505; PERFORMANCE BOND NO. B-1213-55; STATUTORY BOND NO. B-1213-56; AND MAINTENANCE BOND NO. MB-1213-44; FOR THE RAW WATER LINE, PHASE 1, (VAULTS) AND BUDGET TRANSFER.

Body

BACKGROUND: The Norman raw water line conveys water from Lake Thunderbird to the Water Treatment Plant (WTP). The raw water line begins at the lake as a 33-inch concrete line and extends west 5.7 miles where it reduces to a 30-inch concrete line. The 30-inch line continues west another 2.25 miles terminating at the WTP. These lines were originally constructed in the 1960's when the Lake was being built.

On July 27, 2010, the Norman Utilities Authority (NUA) awarded the bid to Red Cliff, Inc. of El Paso, Texas and contracts were executed in the amount of \$3,171,711 to lay a new parallel 48-inch line along the last 2.5 miles of 30-inch. The purpose of the larger line was to allow a greater quantify of water to be drawn from the lake over a defined period of time. Although the pipes connecting to the lake are smaller than the new 48-inch line that would be connecting to the WTP, the larger line significantly reduces friction loss that would be present in a smaller pipe, thereby allowing a greater quantify of water to flow over the same defined period. The goal was to allow the City to draw up to 17 million gallons per day (mgd) as opposed the current 14 mgd. This additional drawing capacity was felt to be very important to allow the NUA to draw sufficient water resources from its primary water supply, Lake Thunderbird, during peak demand periods, and as we continue in the current drought.

Construction began on September 27, 2010 and was scheduled to be complete by March 26, 2011. The project was not completed as originally scheduled. The water line has now been laid, although not connected at 60th Ave NE or at the WTP. A change order was approved on September 13, 2011, but a number of issues have prevented the NUA, working with Garver Engineers, the consulting engineering firm on this project, from issuing a notice to proceed to Red Cliff, Inc. to finish the vaults and make final connection.

On December 14, 2012, the NUA sent a letter notifying Washington International Insurance Company (WIIC), surety bond holder for the performance of Red Cliff, Incorporated that Red Cliff was being suspended indefinitely from additional work anticipated in Contract K-0910-172 between the NUA and Red Cliff, Inc. pursuant to Section 6.11 of the General Conditions. On February 5, 2013, the City Council/NUA Trustees held an Executive Session on this topic, because of a threat of litigation by Red Cliff, Inc. and discussed the remaining issues with Red Cliff in more detail.

Because it became clear that Red Cliff, Inc., would not be able to finish the project before the peak demand period begins in May for the third year in a row, NUA Staff felt it was important to provide an alternative to the NUA regarding completing this project timely, before the next peak water use period. The Contract before the NUA with this item give the NUA that option with BRB Contractors, Inc.

DISCUSSION: NUA advertised bids for the remaining work (i.e. the two vaults and pressure testing the line.) The advertisement for bids was published in The Norman Transcript on December 13, 2012 and December 20, 2012. Bids were received from three contractors on January 10, 2013. As shown on the attached bid tabulation, the low bid of \$788,505 was received from BRB Contractors, Inc. of Topeka,

Kansas. The engineering estimate was \$800,700. The second low bid was \$827,910 and the other bid was \$942,795. Project staff and engineering consultant Garver Engineers, LLC, recommend award of the contract to BRB Contractors, Inc., in the amount of \$788,505.

Funds in the amount of \$622,154 are available in Construction (account 031-9356-462.61-01; Project WB0051). Staff recommends transferring funds in the amount of \$170,000 from Construction (account 031-9345-462.61-01; Project WB0140). These are funds budgeted for water projects, but not encumbered due to better than expected bid prices on water lines projects.

RECOMMENDATION 1: Staff recommends awarding Bid No. 1213-58 to BRB Contractors, Inc.

RECOMMENDATION 2: Staff further recommends approval of Contract No. K-1213-129 in the amount of \$788,505 with BRB Contractors, Inc., Performance Bond B-1213-55, Statutory Bond B-1213-56, and Maintenance Bond MB-1213-44.

RECOMMENDATION 3: Staff further recommends transfer of funds in the amount of \$170,000 from Construction (031-9345-462.61-01), Project WB0140 into Construction (031-9356-462.61-01), Project WB0051.