



# City of Norman, OK

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

## Master

**File Number: K-1314-107**

**File ID:** K-1314-107

**Type:** Contract

**Status:** Consent Item

**Version:** 1

**Reference:** Item No. 11

**In Control:** City Council

**Department:** Utilities Department

**Cost:** \$1,064,690.00

**File Created:** 01/27/2014

**File Name:** SE Bishop Interceptor Phase II, 2C

**Final Action:**

**Title:** CONSIDERATION OF AWARDING BID NO 1314-40, APPROVAL BY THE NORMAN UTILITIES AUTHORITY OF CONTRACT NO. K-1314-107 WITH KRAPFF-REYNOLDS CONSTRUCTION COMPANY IN THE AMOUNT OF \$1,064,690; PERFORMANCE BOND NO. B-1314-57, STATUTORY BOND NO. B-1314-58, AND MAINTENANCE BOND NO. MB-1314-62 FOR THE S.E. BISHOP INTERCEPTOR PROJECT, PHASE II, SECTION 2C, AND BUDGET TRANSFERS.

**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 \$1,064,690 to Krapff-Reynolds Construction Company as the lowest and best bidder meeting specifications; approve Contract No. K-1314-107 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 Interceptor Project, Phase II, Section 2C; direct the filing of the bonds; and transfer \$115,572 from Project No. WW0303, Lift Station D Expansion, Construction (322-9382-432.61-01) to Project No. WW0267, Interceptor/SE Bishop-P2B, Construction (322-9048-432.61-01).

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

**Agenda Date:** 02/11/2014

**Agenda Number:** 11

**Attachments:** SEBishopInterceptor Map, Award Recommendation CP&Y, K-1314-107.pdf, Perf B-1314-57.pdf, Stat B-1314-58.pdf, Maintenance Bond B-1314-62.pdf, Agenda -SEB2C -Req. K-R

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

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

**Effective Date:**

### History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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### Text of Legislative File K-1314-107

Body

**BACKGROUND:** The S.E. Bishop Interceptor improvements were recommended by the Wastewater Master Plan (WWMP) as adopted by the Norman Utilities Authority (NUA) on November 13, 2001. The WWMP proposed the enlargement of interceptors to meet obligated and future capacity demands. Obligated interceptor

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

On June 10, 2003, the NUA approved Contract No. K-0203-154 with Chiang, Patel & Yerby, Inc., now CP&Y, Inc., for design of improvements to the Southeast Norman Interceptors, now entitled as S.E. Bishop Interceptor project.

As shown on the attached map, the S.E. Bishop Interceptor improvements were broken into multiple phases to keep pace with ongoing development or allow additional time to acquire necessary easements. Phase 1 was complete on February 16, 2004 at a cost of \$371,930. Phase 2, Section 1 was complete on January 26, 2007 at a cost of \$1,036,205, and Phase 2, Sections 2A and 2B were recently completed on August 15, 2013 at a cost of \$1,114,231.

**DISCUSSION:** Phase 2, Section 2C will complete the project. It consists of approximately 5,500 linear feet (LF) of 24-inch sewer located south of Highway 9 between the former Saxon Publishing facility and Classen Boulevard. Much of the sewer is very deep, with about 2,800 LF at depths between 20 and 28 feet.

The advertisement for bids was published in the Norman Transcript on January 2 and 9, 2014. Project bids were opened on January 23, 2014. Seven (7) bids were received ranging between \$1,064,690 and \$1,767,832. As shown in the attached recommendation letter from CP&Y, Krapff-Reynolds Construction Company (Krapff-Reynolds) of Oklahoma City was the low bidder at \$1,064,690. Staff and CP&Y recommend award to Krapff-Reynolds. Work is expected to begin on February 24, 2014 and be complete within 180 days or by August 23, 2014.

Funding for sewer interceptors is pro-rated based on the pipe diameter for obligated flow versus the pipe diameter for FBO flow. The funding split for Phase 2C is 50% SST and 50% SET based on an obligated pipe diameter of 12 inches and a FBO diameter of 24 inches. Thus, the contract price of \$1,064,690 is pro-rated equally with \$532,345 each to the SST and the SET. Staff recommends that a contingency of approximately 10% be provided to fund any unforeseen conditions encountered during construction. Thus, total funding of \$585,580 is needed in each account.

The Fiscal Year Ending 2014 (FYE14) budget for the SE Bishop Interceptor (WW0267) SST Construction (323-9048-432.61-01) includes an unencumbered balance of \$593,302 which is sufficient to fund the bid and contingency amount of \$585,580.

The FYE14 budget for Project WW0267 SET Construction (account 322-9048-432.61-01) includes an unencumbered balance of \$470,008 which is not sufficient to fund the bid and contingency amount of \$585,580. Staff recommends funding of \$115,572 shortfall by transferring \$115,572 from Lift Station D Rehabilitation (WW0303) SET Construction (322-9382-432.61-01) into SE Bishop SET Construction (322-9048-432.61-01).

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.

**RECOMMENDATIONS:** Recommend the NUA accept the bids received in response to Project Bid 1314-40 and award the bid in the amount of \$1,064,690 to Krapff-Reynolds Construction Company of Oklahoma City as the best bidder meeting specifications, approve Contract No. K-1314-107; authorize the Chair to execute the contract and the performance, statutory, and maintenance bonds; and the Norman Utilities Authority as part of the contract to pay subcontractors for equipment and supplies for the S.E. Bishop Interceptor Project, Phase II, Section 2C, and transfer \$115,572 as detailed above