



# City of Norman, OK

Municipal Building  
Council Chambers  
201 West Gray  
Norman, OK 73069

## Master

**File Number: K-1314-119**

**File ID:** K-1314-119

**Type:** Contract

**Status:** Consent Item

**Version:** 1

**Reference:** Item No. 10

**In Control:** City Council

**Department:** Utilities Department

**Cost:** \$997,875.00

**File Created:** 05/23/2014

**File Name:** I-35 Waterline Relocations

**Final Action:**

**Title:** CONSIDERATION OF AWARDING BID NO. 1314-48, THE NORMAN UTILITIES AUTHORITY'S APPROVAL OF CONTRACT NO. K-1314-119 WITH MATTHEWS TRENCHING COMPANY, INC., IN THE AMOUNT OF \$997,875; PERFORMANCE BOND NO. B-1314-77, STATUTORY BOND NO. B-1314-78, AND MAINTENANCE BOND NO. MB-1314-71 FOR THE INTERSTATE 35 WATERLINE RELOCATIONS 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 \$997,875 to Matthews Trenching Company, Inc., as the lowest and best bidder meeting specifications; approve Contract No. K-1314-119 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 Interstate 35 Waterline Relocations Project; direct the filing of the bonds; and appropriate \$450,000 from the Water Fund Balance (031-0000-253.20-00) to I-25 Waterline Relocations, Construction (031-9727-462.61-01).

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

**Agenda Date:** 06/10/2014

**Agenda Number:** 10

**Attachments:** Text File I-35 Water Line Project.pdf, SAIC Estimate, K-1314-119.pdf, Perf B-1314-77, Stat B-1314-78, MB-1314-71.pdf, PR Matthews.pdf

**Project Manager:** Mark Daniels, Utilities Engineer

**Entered by:** mark.daniels@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-1314-119

Body

**BACKGROUND:** As part of the widening of Interstate 35 (I-35), three waterline crossings owned by the Norman Utilities Authority (NUA) must be lowered as directed by the Oklahoma Department of Transportation (ODOT). The relocations are required because the existing waterlines (or portions thereof) are within four vertical feet of a proposed roadway improvement. Generally, this clearance is required to ensure that existing utilities do not impact the roadway construction. Any utility, such as telephone, electric, gas, cable as well as

water and sewer utilities operated by the NUA, must be relocated to provide the required clearance.

The NUA will design, bid and construct the work and 100% of the project will be reimbursed by ODOT upon completion. On November 22, 2013, the NUA authorized the I-35 Waterline Relocations project (WA0196) and approved design Contract No. K-1314-66 with SAIC. On March 25, 2014, the NUA approved two Utility Relocation Agreements with ODOT setting forth requirements for performing the relocations and obtaining reimbursement. Contract No. K-1314-130 is for Waterline A and Contract No. K-1314-131 is for Waterlines B and C. The project will construct the following highway crossings:

1. Waterline A located at Highway 9 and 24th Avenue SW including 355 feet of 12-inch waterline with 200 feet of 24-inch steel casing at an estimated construction cost of \$135,000;
2. Waterline B located at I-35 and Briggs including 540 feet of 24-inch waterline with 425 feet of 36-inch steel casing at an estimated construction cost of \$650,000;
3. Waterline C located at I-35 and Brooks including 415 feet of 12-inch waterline with 260 feet of 24-inch steel casing at an estimated construction cost of \$155,000.

**DISCUSSION:** The advertisement for bids was published in the Norman Transcript on April 29 and May 8, 2014, and in several trade publications. Seven contractors attended the pre-bid conference and bids were received from three contractors on May 22, 2014. As shown on the attached bid tabulation, Matthews Trenching Company, Inc. was the low bidder at \$997,875. Other bids ranged between \$1,369,450 and \$1,865,866; the engineer's estimate was \$1,055,112.50. As noted in its letter of May 27, 2014, SAIC recommends award to Matthews Trenching Company, Inc. of Oklahoma City. The Utilities Department concurs in this award recommendation.

The FYE 2014 budget includes unencumbered funds of \$600,000 in I-35 Waterline Relocations Construction (WA0196) account 031-9727-462.61-01. The increased construction cost is in large part due to the following factors:

- ODOT required the Briggs Street crossing to be deepened by about 12 feet over that originally anticipated increasing the total depth to about 28 feet.
- ODOT compressed the construction schedule from 120 days after the Notice to Proceed (completion by about October 21, 2014) to completion by September 1, 2014.

In order to fully fund the proposed improvements, it is necessary to appropriate at least \$397,875 from the water fund balance. Utilities staff also recommends including a contingency of about 5.2% (\$52,125) to cover unexpected additional costs for a total appropriation of \$450,000 from the Water Fund balance 031-0000-253.00-00 to I-35 Waterline Relocations Construction (WA0196) account 031-9727-462.61-01.

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.

**RECOMMENDATION 1:** Recommend acceptance of the bids received in response to Bid No. 1314-48, I-35 Waterline Relocations Project, and award the bid to Matthews Trenching Company, Inc. of Oklahoma City.

**RECOMMENDATION 2:** Recommend an appropriation of \$450,000 from the Water Fund Balance 031-0000-253.00-00 to I-35 Waterline Relocations Construction (WA0196) account 031-9727-462.61-01.

**RECOMMENDATION 3:** Recommend approval of Contract No. K-1314-119 in the amount of \$997,875 with Matthews Trenching Company, Inc., Performance Bond No. B-1314-77, Statutory Bond No. 1314-78, and Maintenance Bond MB-1314-71; all bonds being in the amount of the construction contract.

**RECOMMENDATION 4:** Recommend authorization for the Utilities Director to approve the purchase of equipment and materials directly from vendors at prices agreed to the Contractor.