



City of Norman, OK

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

Text File

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Title

ACTING AS THE NORMAN UTILITIES AUTHORITY, CONSIDERATION OF AWARDDING OF BID NO. 1213-7, APPROVAL OF CONTRACT NO. K-1213-32 WITH A.W. SCHULTZ, INC., IN THE AMOUNT OF \$336,800, PERFORMANCE BOND NO. B-1213-9, STATUTORY BOND NO. B-1213-10, AND MAINTENANCE BOND NO. MB-1213-5 AND BUDGET APPROPRIATION FOR THE WATER WELL TELEMTRY UPGRADE PROJECT FOR THE WATER TREATMENT DIVISION AND BUDGET TRANSFERS AND APPROPRIATION.

Body

BACKGROUND: The City has a capital project (WA0297) for "Water Well Telemetry". The original purpose of the project was to upgrade the radio signals being sent from the wells to the Water Treatment Plant to improve communications and eliminate interference. The original budget was \$100,000. As the project developed, Norman Police Department staff provided valuable input on the availability of a new frequency band that improved the project but also increased the cost. Additionally, ten new water wells (Wells #51 through 61) came on line and were incorporated. These additional wells utilized available revenue bond funding (project WB0297) in the amount of \$150,000. Total project funding for all telemetry installation and upgrades is \$250,000.

Specifications allowed bidders to consider two options. They could either upgrade the existing Bristol Babcock Process Logic Controller (PLC) system or replace the system with Allen Bradley PLC's. The bid options were offered partially to increase competition and partially to evaluate changing to Allen Bradley hardware to improve compatibility with the other systems in the Water Treatment Plant.

DISCUSSION: On August 16, 2012, Bid No. 1213-7 was opened for the Project. Bids were received from four different contractors. A. W. Schultz bid both options while the other contractors bid on replacement systems only. A. W. Schultz was low bid on the upgrade at \$301,945 and low on the replacement at \$336,800.

Replacement of the Bristol Babcock hardware with Allen Bradley hardware offers several advantages, and the relatively small difference in total project cost is justified several ways. Training of City personnel will be easier if only one brand of equipment must be supported. The new control system installed during the Water Treatment Plant (WTP) Phase I upgrade is all Allen Bradley hardware. Allen Bradley is universally supported by all systems integrators, so it will be much easier to get technical support in the future. The WTP will not be reliant on only a few vendors who support Bristol Babcock.

Staff recommends awarding the full replacement option to Allen Bradley PLC's in the amount of \$336,800 to A.W. Schultz. The contract will be awarded utilizing \$149,900 of revenue bond funds and \$186,900 of Water Utility capital project budget funds.

Staff recommends transferring funds from Materials into Construction (Project WB0297; Account 031-9353-462) in the amount of \$135,000. Total funds in the amount of \$150,000 are available in this revenue bond portion of the project.

Staff recommends transferring funds from Materials into Construction (Project WA0297; Account 031-9353-462) in the amount of 90,000. Total funds in the amount of \$100,000 are available for the remainder of the Water Utility capital budget project.

Since an additional \$86,900 is necessary to award the contract, staff further recommends appropriating funds in the amount of \$116,900 from the Water Fund Balance (account 031-0000-253.00-00) into Construction (Project WA0297; Account 031-9353-462.61-01). The additional \$30,000 of this transfer

will allow staff to purchase ancillary equipment which will consist of field instruments to measure well water level and discharge pressure.

RECOMMENDATION: Staff has reviewed bids and recommends that Bid 1213-07 be awarded to A. W. Schultz, Inc. in the amount of \$336,800 and Contract No. K-1213-32, Maintenance Bond No. MB-1213-5, Performance Bond No. B-1213-9, and Statutory Bond No. B-1213-10 be approved. The following transfers and appropriation area also recommended:

\$135,000 transferred from Materials into Construction (Project WB0297; Account 031-9353-462).

\$90,000 transferred from Materials into Construction (Project WA0297; Account 031-9353-462)

\$116,900 appropriated from the Water Fund Balance (031-0000-253.00-00) into Construction (Project WA0297; Account 031-9353-462.61-01).