



Legislation Details (With Text)

File #: K-2021-108 **Version:** 1 **Name:** 12th Ave NE Manhole Replacement Contract
Type: Contract **Status:** Passed
File created: 4/28/2021 **In control:** City Council
On agenda: 5/11/2021 **Final action:** 5/11/2021
Title: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF BID 2021-63, CONTRACT K-2021-108 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND MATTHEWS TRENCHING COMPANY, INC., IN THE AMOUNT OF \$1,180,250; PERFORMANCE BOND B-2021-77; STATUTORY BOND B-2021-78; MAINTENANCE BOND MB-2021-59 FOR THE 12TH AVENUE N.E. MANHOLE REPLACEMENT PROJECT; AUTHORIZING THE UTILITIES DIRECTOR TO PURCHASE MATERIALS ON BEHALF OF THE CONTRACTOR; AND AUTHORIZING TRANSFER OF PROJECT FUNDS AS OUTLINED IN THE STAFF REPORT.

Sponsors:

Indexes:

Code sections:

Attachments: 1. City Council Staff Report, 2. Tabulation, 3. Contracts & Bonds, 4. Project Map

Date	Ver.	Action By	Action	Result
5/11/2021	1	City Council		

CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF BID 2021-63, CONTRACT K-2021-108 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND MATTHEWS TRENCHING COMPANY, INC., IN THE AMOUNT OF \$1,180,250; PERFORMANCE BOND B-2021-77; STATUTORY BOND B-2021-78; MAINTENANCE BOND MB-2021-59 FOR THE 12TH AVENUE N.E. MANHOLE REPLACEMENT PROJECT; AUTHORIZING THE UTILITIES DIRECTOR TO PURCHASE MATERIALS ON BEHALF OF THE CONTRACTOR; AND AUTHORIZING TRANSFER OF PROJECT FUNDS AS OUTLINED IN THE STAFF REPORT.

BACKGROUND: The Norman Utilities Authority (NUA) is completing the 12th Avenue NE Manhole Replacement Project to replace 36 manholes that are on the 24-inch sewer line that receives the discharge from Lift Station D. Lift Station D is located on the north side of the City and receives sewer flows from the Little River sewer shed. Flows are screened at Lift Station D and then pumped over the ridge to the 24-inch line. Due to the time for flows to reach the 24-inch line, hydrogen sulfide concentrations have time to increase which has severely degraded the existing concrete manholes. This project will remove the degraded manholes and will install new, corrosion-resistant manholes which are necessary for maintenance operations and are required pursuant to Oklahoma Department of Environmental Quality regulations.

DESCRIPTION: The Invitation to Bid for Bid-2021-63 for Project WW0330 - 12th Avenue NE Manhole Replacements was published in the *Norman Transcript* on April 1 and April 8, 2021. A non-mandatory pre-bid conference was held on April 12, 2021 and four contractors attended. Bids were received from three contractors and were opened on April 22, 2021. The bids ranged from \$1,180,250 to \$1,710,920 with Matthews Trenching Co., Inc., being the lowest, responsible bidder.

Funding for the project is from the Sewer Maintenance Fund (321). This manhole project was planned to be done with another project but was split off due to the condition of the manholes and their rate of degradation. As such, funds will need to be transferred into this account. Staff recommends transferring available funds from Sewer Maintenance Project FYE 19 - Construction (WW0321-CONST - 32193338-46101) in the amount of \$1,250,000 into 12th Avenue NE Manhole Replacements - Construction (WW0330-CONST - 32193338-46101). With this transfer, the funds will be sufficient for the project plus a project contingency of 5.9 percent of the construction contract.

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.

Work on the project will commence a few months after NUA approval of the contract and will continue for approximately eight months.

RECOMMENDATION: Staff recommends the NUA accept bids meeting project specifications; award Bid 2021-63 to Matthews Trenching Co., Inc. for Project WW0330, 12th Avenue Manhole Replacements in the amount of \$1,180,250; approve Contract K-2021-108 and associated performance, statutory, and maintenance bonds in the amount of the bid; authorize execution of the contracts and bonds and the NUA to purchase equipment and supplies on behalf of the contractor for incorporation into the project; and transfer funds to fully fund the construction of the project.

Staff also recommends transferring \$1,250,000 from Sewer Maintenance Project FYE 19 - Construction (WW0321-CONST - 32193338-46101) to 12th Avenue NE Manhole Replacements - Construction (WW0330-CONST - 32193338-46101).