



Legislation Details (With Text)

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Title:	CONSIDERATION OF AWARDING BID 1920-26, CONTRACT K-1920-46 BY AND BETWEEN THE NORMAN UTILITY AUTHORITY AND CIMARRON CONSTRUCTION COMPANY, L.L.C., IN THE AMOUNT OF \$2,136,965; PERFORMANCE BOND B-1920-37; STATUTORY BOND B-1920-38; AND MAINTENANCE BOND MB-1920-18 FOR THE GRAY STREET AND TONHAWA STREET WATER LINE REPLACEMENT PROJECT, AUTHORIZING THE UTILITIES DIRECTOR TO PURCHASE MATERIALS ON BEHALF OF THE CONTRACTOR; AND BUDGET TRANSFERS BETWEEN PROJECT ACCOUNTS.				

Sponsors:

Indexes:

Code sections:

Attachments: 1. City Council Staff Report, 2. Award Recommendation, 3. Contract K-1920-46 and Bonds, 4. Location map

Date	Ver.	Action By	Action	Result
1/28/2020	1	City Council		

CONSIDERATION OF AWARDING BID 1920-26, CONTRACT K-1920-46 BY AND BETWEEN THE NORMAN UTILITY AUTHORITY AND CIMARRON CONSTRUCTION COMPANY, L.L.C., IN THE AMOUNT OF \$2,136,965; PERFORMANCE BOND B-1920-37; STATUTORY BOND B-1920-38; AND MAINTENANCE BOND MB-1920-18 FOR THE GRAY STREET AND TONHAWA STREET WATER LINE REPLACEMENT PROJECT, AUTHORIZING THE UTILITIES DIRECTOR TO PURCHASE MATERIALS ON BEHALF OF THE CONTRACTOR; AND BUDGET TRANSFERS BETWEEN PROJECT ACCOUNTS.

BACKGROUND: This project will replace approximately 11,500 feet of 6, 8, and 12-inch water line generally along Gray Street and Tonhawa Street and associated side streets from North Base Avenue to Porter Avenue. The existing water lines are cast iron pipe and were constructed over 50 years ago and have had numerous leaks resulting in significant loss of water and damage to the overlying or adjacent roadway. Repairs to the water line are time consuming for staff and are very disruptive to traffic in the area as repairs are completed. The new waterlines will improve water transmission and will be constructed of non-corrosive materials such as PVC.

On April 14, 2015, the Norman Utilities Authority (NUA) approved Contract K-1415-120 with C. H. Guernsey and Company (Guernsey) of Oklahoma City, Oklahoma, in the amount of \$39,400, to provide surveying, design, and construction services associated for approximately 3,600 feet of 12-inch and 8-inch water line along Main Street, Flood Avenue, Gray Street and University Avenue. On June 13, 2017, the NUA approved Amendment No. 1 to Contract K-1415-120 with Guernsey in the amount of \$87,200 (total contract of \$126,600) to provide surveying, design, and construction services associated for approximately 6,750 feet of 12-inch and 8-inch water line. On May 28, 2019, the NUA approved Amendment No. 2 to Contract K-1415-120 with Guernsey in the amount of \$26,500 (total contract of \$153,100) to provide surveying, design, and construction services

associated with approximately 1,500 additional feet of water line.

On October 25, 2016, the NUA approved CO#2 to Contract K-1516-80 with Central Contracting Services (Central) authorizing replacement of approximately 1,200 feet of deteriorated 12-inch DIP waterline with 16-inch PVC waterline along the south side of Main Street between Flood Avenue and Park Drive. The work completed under CO#2 with Central Contracting included a portion of the work designed by Guernsey under Contract K-1415-120.

DISCUSSION: The Invitation to Bid for Bid 1920-26 for Project WA0202/WA0224 - Gray Street and Tonhawa Street Water Line Replacement was published in the *Norman Transcript* on October 24 and October 31, 2019. Six contractors attended the mandatory pre-bid meeting held on November 4, 2019. Bids were opened on November 21, 2019, and six contractors submitted bids. The bids ranged from \$2,136,965 to \$2,581,370. Cimarron Construction Company, LLC was the low bid for the project. The bid results are shown in the attached bid tabulation. Both staff and Guernsey (letter attached) recommend award to Cimarron Construction Company, LLC.

Funding for the project is from the Water Fund (031) with funding from two project accounts. Additionally, budget transfers from other project accounts will be necessary to fully fund the project. Sufficient funds are available from the Sooner Fashion Mall Water Line Replacement Project and the Segment D Water Line Project. Funding for the project is proposed as follows:

1. WA0202-CONST (31995321-46101) - \$732,097.68
2. WA0224-CONST (31993360-46101) - \$450,650.66
3. Requested Transfer from Sooner Fashion Mall Water Line Replacement (WA0339-CONST - 31996683-46101) - \$550,000
4. Requested Transfer from Segment D Water Line (WA0239-CONST - 31993360-46101) - \$650,000
5. The total funding proposed is \$2,382,748.34. This will provide \$50,000 for the purchase of new meters to replace existing meters along with the water line project. Additionally, this will provide a contingency of 9.17 percent for the project which is in a congested and very urbanized area. The requested budget transfers are \$550,000 from Sooner Fashion Mall Water Line Replacement WA0339-CONST (31996683-46101) into WA0224-CONST (31993360-46101) and \$650,000 from WA0239-CONST (31993360-46101) into WA0224-CONST (31993360-46101).

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 in early 2020 after NUA approval of the contract and will continue for approximately ten months.

RECOMMENDATION: Staff recommends the NUA accept bids meeting project specifications; award Bid 1920-26 to Cimarron Construction Company, LLC for Project WA0202/WA0224 - Gray Street and Tonhawa Street Water Line Replacement in the amount of \$2,136,965; approve Contract K-1920-46 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 authorize budget transfers of \$550,000 from WA0339-CONST (31996683-46101) into WA0224-CONST (31993360-46101) and \$650,000 from WA0239-CONST (31993360-46101) into WA0224-CONST (31993360-46101).