



Legislation Text

File #: K-1718-6, **Version:** 1

CONSIDERATION OF AWARDING BID 1718-6, CONTRACT K-1718-6 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND CROSSLAND HEAVY CONTRACTORS, INC., IN THE AMOUNT OF \$639,553; PERFORMANCE BOND B-1718-11; STATUTORY BOND B-1718-12, AND MAINTENANCE BOND MB-1718-6 FOR THE LIFT STATION MODIFICATIONS FY17 PROJECT AND BUDGET TRANSFER BETWEEN PROJECT ACCOUNTS.

BACKGROUND: In 2001, the citizens of Norman approved a five dollar per month sewer maintenance fee to provide for the systematic rehabilitation or replacement of aged and deteriorated sewer infrastructure. The Lift Station Modifications FY17 project (WW0305) provides for upgrades of three (3) existing sewer lift stations: Ashton Grove, Franklin Road and Royal Oaks (see attached map). The work consists of replacement pumps, pump guide rails and brackets, and discharge fittings and piping at each station. Royal Oaks also requires replacement of the valve vault, and a new wet well. Bypass pumping will be required while each station is off line to maintain sewer service and prevent back-ups or overflows.

DISCUSSION: An advertisement for bids was published in the *Norman Transcript* on January 11 and 18, 2018. Five (5) bids were received and opened on February 1, 2018. Crossland Heavy Contractors, Inc. of Columbus, Kansas was the low bidder at \$639,553. Work should begin during March, with 120 days contract completion time.

The Fiscal Year Ending 2018 (FYE18) budget for the Lift Station Modifications FY17 includes an unencumbered balance of \$471,500 for construction. The low bid plus a recommended ten percent (10%) contingency, yields a shortfall of \$232,008. However, another capital project, Royal Oaks Force Main Rehab, is complete and funds are still available in its construction account. To fund the award, staff recommends transfer of \$232,008 from Royal Oaks Force Main Rehab Construction (account 321-9649-432.61-01; project WW0062) to Lift Station Modifications FY17 Construction (account 321-9338-432.61-01; project WW0305).

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 Norman Utilities Authority (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.

STAFF RECOMMENDATIONS: Staff recommends the NUA accept all bids meeting specifications; and, if accepted, award the bid in the amount of \$639,553 to Crossland Heavy Contractors, Inc., as the best bidder meeting specifications; approve Contract K-1718-6 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 vendors for equipment and supplies for the Lift Station Modifications FY17 Project; direct the filing of the bonds; and transfer \$232,008 from Project WW0062, Royal Oaks Force Main Rehab, Construction (321-9649-432.61-01) to Project WW0305, Lift Station Modifications FY17 Construction (321-9338-432.61-01).