



Legislation Details (With Text)

**File #:** 20-273      **Version:** 1

**Type:** BID, RFP, RFQ, COOP, SOLE SOURCE, OPTION YEAR      **Status:** Agenda Ready

**File created:** 2/20/2020      **In control:** City Council

**On agenda:** 4/7/2020      **Final action:**

**Title:** Approve the award of Bid 20-073, 2020 Cured-In-Place Water Main Rehabilitation, to Michels Corporation for an amount not to exceed \$289,224, plus a 5% contingency

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. CIP Page

Date	Ver.	Action By	Action	Result
4/7/2020	1	City Council		

**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve the award of Bid 20-073, 2020 Cured-In-Place Water Main Rehabilitation, to Michels Corporation for an amount not to exceed \$289,224, plus a 5% contingency

**DEPARTMENT:** Water Utilities

**SUBMITTED BY:** Darrell Blenniss, Director

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

The Water Utilities will need to replace or rehabilitate a large amount of watermain in the coming years to continue to provide reliable service for customers. Each watermain project is evaluated for constructability, cost effectiveness, potential disruption and other factors during the design phase of the project. The replacement or rehabilitation method selected must be suitable to the location to produce a high-quality project.

Watermain lining technology has improved over the past several years making it more competitive in the marketplace when bidding against traditional installation methods, particularly for certain locations. More contractors have become certified to install, which brings more competition. It also has the advantage of being less disruptive to residents and motorists due to limited excavation required to install. Limiting the amount of excavation and less restoration also has the potential to reduce the cost of the project.

In February 2020, the Water Utilities issued Bid 20-073 seeking a contractor to rehabilitate approximately 185 feet of existing 16-inch water main using the trenchless method of glass-fiber

reinforced cured-in-place pipe. The work includes disassembly/reassembly of ductile iron pipe, valves and fittings as necessary to perform cured-in-place pipe installation. Only liners certified by National Science Foundation (NSF) with NSF/ANSI Standard 61 certification for use in potable water pipelines are acceptable.

The location included in this bid was identified as being suitable for watermain lining for several reasons. First, the location required size-on-size replacement/rehabilitation, making lining a potential option. Watermain lining is also suitable for hard to construct locations such as under train tracks or arterial roadways. Finally, the location does not have any water services; water service reinstatement requires excavation and increases the cost of the project, making it less competitive than traditional excavation.

**DISCUSSION:**

Advertisement Date:	02/21/2020	Notices Sent:	124
Opening Date:	03/19/2020	Planholders:	15
		Proposals Received:	2

The following bids were receive

<b>Company Name</b>	<b>Proposed Fee</b>
<i>Engineer's Estimate</i>	\$250,000
<b>Michels Corporation</b>	<b>\$289,224</b>
Sheridan Plumbing & Sewer	\$298,441

The engineer's estimate was developed using average material cost and hourly labor rates typical of contracted work. The low bid is higher than the engineer's estimate but still within the amount budgeted for this work by the Water Utilities. Michels Corporation has performed similar projects for the City in the past and their work was satisfactory.

The completion date of the contract is October 30, 2020.

**FISCAL IMPACT:**

CIP: WU004

Watermain rehabilitations are expensed to the infrastructure account listed below as part of the capital improvement program. A total of \$1,200,000 is budgeted for rehabilitation activities as part of WU004 in 2020. The requested award is within budget.

<b>Account Number</b>	<b>Fund Description</b>	<b>Total Budget Amount</b>
41251500-551502	Water & Wastewater	\$23,395,000

Per Council directive, contingency on construction projects is set at 3% on projects over \$500,000 and 5% on projects under \$500,000.