



Council Agenda Report

From: Dick McKinley, Public Works Director
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Subject: Contracts for the Construction of and Construction Management Services for the Sherwood Tract Sewer Mains Upgrade Project

Date: December 5, 2017

Facts

1. The sewer rates include funding for repairing or replacing old or problem sewer lines in the system. The adopted budget includes funding for the design and preparation of bid documents for this sewer work.
2. The Sherwood Tract homes are located east of Creston Road, between Scott Street and Sherwood, and were built in the 1950s.
3. The sewer mains, including manholes, that serve these properties are generally located in their backyards (see attached location map), within a City easement.
4. These sewer mains are quite old and through the years tree roots and debris have hampered the flow. Wastewater maintenance staff have identified these sewer mains as “high maintenance”, and provide quarterly and even monthly cleaning to keep the flow moving. In addition, the City does not have any engineering record drawings of these pipelines.
5. On October 18, 2016, City Council authorized staff to engage the services of Cannon Engineering to prepare design and bid documents for the sewer repair work.
6. At the bid opening on November 16, 2017, six bids were received as follows:

<u>Contractor:</u>	<u>Total bid:</u>
Souza Construction, Inc.	\$1,202,000
Raminha Construction, Inc.	\$1,262,540
MGE Underground, Inc.	\$1,297,924
Specialty Construction, Inc.	\$1,411,869
Whitaker Construction Group	\$1,498,028
HPS Mechanical, Inc.	\$1,848,700

7. Staff reviewed the low bid of \$1,202,000 from Souza Construction and found it to be a responsible and responsive bid.
8. Staff will manage the project with technical assistance from Cannon Engineering to provide detailed coordination with the residents during the boring operations in their backyards. They will also assist in providing tools and equipment, in testing of pipes and manholes to ensure they meet design parameters, including backfill and compaction testing of pipe trench subgrade, around the pipes, and finally above the pipe as each trench is restored and the area is ready for asphalt paving or other surface treatment. Testing through laboratory density curves for native soils and import sand backfill is also included. Cannon’s fee is \$139,090.
9. Staff will need to convene an extensive neighborhood outreach for this work, while Cannon works to coordinate with specific residents during the project.

Options

1. Do nothing;

2. Authorize the City Manager to engage the services of Cannon Engineering to provide construction management, inspection, and testing services, and award the construction contract to Souza Construction.

Analysis and Conclusions

Option 1: If we do nothing, the sewer mains will continue to deteriorate, resulting in sewer backups and likely claims. Currently, staff is performing cleaning of these sewer mains monthly and quarterly to ensure flow. Eventually this maintenance schedule may have to increase to prevent blockage.

Option 2: By performing repairs of the old sewer mains, the residents will have the value of new piping system to serve their homes, and maintenance of the mains would be on an annual basis rather than monthly or quarterly. There will be fewer backups and lower risk of damage to private property (which leads to claims payouts).

Fiscal Impact

The construction phase allocations to Budget No. 6019101-54520-C0007 from the Sewer Enterprise Fund, are as follows:

Construction Contract	\$1,322,200 (\$1,202,000+10%)
Construction Inspection & Testing	\$153,000 (\$139,090+10%)
Total	\$1,475,200

There is \$2,275,392 available in current appropriations for this project and no further funding is needed.

Recommendation

Authorize the City Manager to enter into an agreement with Souza Construction in the amount of \$1,322,200 for the construction of the Sherwood Tract Sewer Mains Upgrade, and with Cannon Engineering in the amount of \$153,000 for construction management and related services for the Sherwood Tract Sewer Mains Upgrade project.

Attachments

1. Sherwood Tract Sewer Main Repair Locations



SHERWOOD NEIGHBORHOOD HIGH MAINTENANCE SEWER LINES
(MONTHLY/QUARTERLY CLEANING)



NOT TO SCALE