

AGENDA REPORT

DATE October 4, 2005

ITEM: CONSTRUCTION CONTRACT AWARD: SOUTHWEST SIDE WATER MAIN REPLACEMENT, O. F. 1432

INITIATED BY: PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION

ACTION REQUESTED: CONSIDER BIDS AND AWARD CONTRACT

PRESENTED BY: JIM REARDEN, PUBLIC WORKS DIRECTOR

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MOTION: "I move the City Commission award a contract in the amount of \$511,153.00 to Phillips Construction for the Southwest Side Water Main Replacement, O. F. 1432, and authorize the City Manager to execute the construction contract documents."

PROJECT TITLE: Southwest Side Water Main Replacement, O. F. 1432

RECOMMENDED CONTRACTOR: Phillips Construction

CONTRACT AMOUNT: \$511,153.00

ENGINEER'S ESTIMATE: \$544,096.25

START DATE: Projected for October 17, 2005

COMPLETION DATE: Spring 2006 (77 Calendar Days)

PENALTY/INCENTIVE TERMS: Liquidated Damages, \$400.00/Day

SYNOPSIS: This project will replace portions of the water system located in 2<sup>nd</sup> Avenue Southwest, 3<sup>rd</sup> Avenue Southwest, 5<sup>th</sup> Avenue Southwest, and 5<sup>th</sup> Street Southwest. The number of main breaks in these areas is among the highest in the system.

Four bids were received and opened for this project on September 21, 2005. The bids ranged from \$511,153.00 to \$612,355.00. The attached bid tabulation summarizes this information. Water utility funds are available for this project.

BACKGROUND: This project is part of a continuing improvement program to replace old and deteriorated water mains in many areas around the City. Water main breaks have damaged the roadway and disrupted water service to local residences. The breaks are primarily due to corrosive soils, age, and the type of pipe material used. This project, which is identified in the City's Water Capital Improvement Plan, will replace approximately 2,625 lineal feet of 6 and 8 inch, and 1,600 lineal feet of 12 inch deteriorated cast iron pipe with PVC water main. Other improvements include

installation of new fire hydrants and replacement of non-copper water services.

Several factors not seen in recent years may have an influence on the cost of water main replacements and other utility work in 2005. Fuel and steel prices have recently seen large increases. Since petroleum is also used to make PVC, pipe prices have also increased. We are coming up on winter which makes for added construction costs and the possibility of shutting the project down until spring. Fortunately, prices bid for this project are just slightly higher than 2004 averages. This may be due in part to the highly competitive utility market at present.

City engineering staff completed the project design and will perform construction inspection and contract administration duties.

Attachment: Bid Tabulation Summary