



Date: September 20, 2011

To: Thomas J. Bonfield, City Manager

Through: Theodore L. Voorhees, Deputy City Manager

From: Donald F. Greeley, Director, Water Management
Jerry F. Morrone, Engineering Supervisor, Water Management

Subject: Raleigh Interconnection Project – Amendment #1

Executive Summary:

The Department of Water Management signed a contract on April 15th, 2008 for professional engineering and construction administration services with McKim and Creed, PA for the Raleigh Interconnection Project. The scope of the project consists of surveying, designing, permitting and construction administration and observation of a 24" water line connecting the City of Durham's water distribution system to the City of Raleigh's water distribution system. The City requested McKim and Creed, PA to break the project into two phases to better accommodate the City's schedule for property acquisition. To cover the costs of bidding and administering the second phase, the Department is recommending an amendment with McKim and Creed, PA.

Recommendations:

The Department recommends that the City Council:

1. Authorize the City Manager to execute Contract Amendment #1 with McKim and Creed, PA. for the Raleigh Interconnection Project in the amount of \$327,750.00 for a total contract cost of \$1,016,750.00.

Background:

The City of Durham Department of Water Management is installing a water transmission main to connect the City of Durham and City of Raleigh water distribution systems. The connection is being made to the City of Durham system at the intersection of Miami Boulevard and Angier Avenue and to the City of Raleigh system at the intersection of US 70 and TW Alexander Drive. The majority of the transmission main is being installed within the Right of Way (ROW) along US 70. Once the project has been completed, the City of Durham will be able to purchase water from, and sell water to, the City of Raleigh during emergencies or drought events.

McKim and Creed, PA is under contract with the City of Durham to provide professional engineering and construction administration/observation services for a six month construction contract. The City of Durham requested McKim and Creed to split to water line in to two projects of six months duration each to accommodate the City's property acquisition for a meter site. McKim and Creed, PA's contract with the City is for full-time administration and observation for one six month contract, this split effectively creates two six month contracts requiring additional observation and administration. Additionally, the City has requested minor design changes be made to the second phase of the contract, which are also outside the scope of McKim and Creed, PA's current contract.

Issues and Analysis:

The amendment with McKim and Creed, PA will allow the design, bid and award of Phase II of the Raleigh Interconnection Project to proceed. Phase II will complete the interconnection with City of Raleigh to the mutual benefit of both cities. The Phase II portion of the line also fulfills the City of Durham's obligations for water infrastructure under the Utility Extension Agreement with Pulte Homes Corporation approved by Council on August 1st, 2011.

Alternatives:

Alternative 1: Do not authorize the amendment to McKim and Creed, PA's contract and attempt to design, bid, award and administer Phase II with City staff. City personnel do not currently have the availability or resources to design the construction of such a large transmission main within the timeframe required, and do not currently have inspection staff available to oversee the construction. Developing plans internally would shift all claim liability to City staff.

Alternative 2: Do not enter in to a contract with McKim and Creed, PA and delay the bid and award of Phase II until a full RFP can be prepared, evaluated and prepared. Under this alternative, Phase II would not be fully designed or installed for several months, and it is unlikely the water line would be in service when needed by development in the area. The connection with the City of Raleigh would also not be in service, preventing the exchange of water from/to Raleigh in case of emergency or limited supply.

Financial Impacts:

Funds for the Raleigh Interconnection Project Amendment #1 are budgeted in the Raleigh Emergency Water Interconnection account in the Capital Improvement Program. There are currently funds available for this contract in account 4100P007-731003-P0B05.

SDBE Summary:

This is a contract amendment and is not reviewed by the Department of Equal Opportunity/Equity Assurance for compliance with the Ordinance to Promote Equal Opportunities in City Contracting.

McKim and Creed, PA will be using the following SDBE firm for the approximate additional scope of services:

Firm	ID	City/State	Amount	% of Amendment
Capstone Civil Group, PA	MSDBE	Chapel Hill, NC	\$50,000	15%