



Date: July 8, 2014

To: Thomas J. Bonfield, City Manager

Through: W. Bowman Ferguson, Deputy City Manager

From: Donald F. Greeley, Director, Water Management

Subject: Durham Downtown Loop Waterline Replacement Construction Contract – J.F. Wilkerson Contracting Company, Inc.

Executive Summary

The Department of Water Management received bids on June 3, 2014 for the Downtown Loop Waterline Replacement Construction Contract. The proposed contract consists of replacing approximately 12,000 linear feet (LF) of existing waterlines inside the Downtown Loop with new waterlines. The bid received from J.F. Wilkerson Contracting Company, Inc., is the lowest responsive and responsible bid.

Recommendation

The Department of Water Management recommends that the City Council:

1. Authorize the City Manager to execute a contract with J.F. Wilkerson Contracting Company, Inc in an amount not to exceed \$6,448,779.75 for the Downtown Loop Waterline Replacement Construction Contract and
2. Establish a contingency fund for the contract in an amount not to exceed \$651,220.25; and
3. Authorize the City Manager to negotiate change orders for the contract provided that the total project cost does not exceed \$7,100,000.00.

Background

The Department of Water Management is responsible for the maintenance of existing water distribution infrastructure within the downtown area of Durham. A significant portion of this infrastructure is nearing the end of its service life. The area of downtown addressed by this project is the area inside the Downtown Loop, south of Morgan Street and north of Ramseur Street (see Attachment A).

The proposed project will replace the existing waterlines with new waterlines sized to meet the most current fire flow requirements. The new waterlines will provide more reliable service to existing customers, decrease service interruptions associated with maintenance, increase available fire flow and provide better water quality. The new lines are also sized to ensure the entire downtown loop area meets the highest current fire flow.

Issues and Analysis

The Department of Water Management formally advertised this project for bid on April 22nd, 2014. At the bid opening, four bids were received and opened:

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J.F. Wilkerson Contracting Company, Inc	\$6,448,779.75
Moffat Pipe, Inc.	\$6,704,473.97
Thalle Construction Company, Inc	\$6,706,064.75
Triangle Grading and Paving, Inc	\$16,071,202.75

The Department and its consultant performed a due diligence investigation of the lowest bid and determine that J.F. Wilkerson is the lowest responsible, responsive bidder. An Add Alternate bid for the full width resurfacing of Morgan Street and Great Jones Road in the Downtown Loop was also solicited at the request of the NC DOT, however all bids came in over the NC DOT's available budget. Award of the Add Alternate is not recommended.

Alternatives

Alternative #1 - Do not move forward with the waterline replacement project. This alternative will likely result in increased waterline leaks and breaks as well as deteriorating water quality and fire flow. If the lines are not replaced, continued redevelopment of the Downtown Loop area will likely slow significantly due to infrastructure issues.

Financial Impact

The immediate cost to the City for the contract with J. F. Wilkerson Contracting Company, Inc. is \$7,100,000.00. The funds are currently available in the following accounts:

- 4100P761-731000-POBZ2: \$1,240,923.98
- 4100P762-731000-POBZ2: \$5,207,855.77
- 4100P762-731900-POBZ2: \$651,220.25

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by J.F. Wilkerson Contracting Co., Inc, Morrisville, North Carolina to determine compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting. The goals for this project are MSDBE 4% and WSDBE 2%. It was determined that J.F. Wilkerson Contracting Co., Inc was in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

SDBE REQUIREMENTS

J.F. Wilkerson Contracting Co., Inc will subcontract to the following certified firms:

Firm	ID	City/State	Amount	% of Contract
Autry Construction Company	MSBE	Zebulon, NC	\$260,000	4%
Cooper & Associates	WSBE	Cary, NC	\$50,000	.8%
Stay Alert Safety Services	WSBE	Raleigh, NC	\$88,000	1.4%

The MSDBE goal and the WSDBE goal were both met.

WORKFORCE STATISTICS

The workforce statistics for J.F. Wilkerson Contracting Co., Inc. are as follows:

Total Workforce	29	
Total Females	1	3%

Total Males	28	97%
Black Males	6	21%
White Males	13	45%
Other Males	9	31%
Black Females	0	1%
White Females	1	3%
Other Females	0	1%

Attachments

Attachment A – Downtown Loop Waterline Replacement Project Area

Attachment B – Downtown Loop Waterline Replacement Contract