



**Date:** May 19, 2015

**To:** Thomas J. Bonfield, City Manager

**Through:** W. Bowman Ferguson, Deputy City Manager

**From:** Donald F. Greeley, Director, Water Management

**Subject:** Southeast Pressure Zone Watermain Contract – Construction Contract Award to Park Construction of North Carolina, Inc.

**Executive Summary:**

The Department of Water Management opened bids on April 9, 2015 for the Southeast Pressure Zone (SEPZ) Watermain Contract. The project consists of constructing approximately 14,430 lineal feet of 24, 18, and 16 inch diameter watermain along Page Road, Miami Boulevard and various easements. The mains support the new Southeast Pressure Zone being established by the new page Road elevated storage tank(EST). The Department recommends the contract be awarded to Park Construction of North Carolina, Inc., the lowest responsive and responsible bidder. Additionally, the Department recommends a contingency of approximately 10% be established for the project.

**Recommendations:**

The Department recommends City Council:

1. Authorize the City Manager to execute a contract with Park Construction of North Carolina, Inc. for the Southeast Pressure Zone Watermain Contract for \$2,449,013.60.
2. Establish a contingency fund for the contract in the amount of \$245,000.00 and
3. Authorize the City Manager to negotiate change orders for the contract provided that the cost of all change orders does not exceed \$245,000.00 and the total project cost does not exceed \$2,694,013.60.

**Background:**

The SEPZ Watermain and Elevated Storage Tank (EST) Projects were designed in order to improve pressure and increase available fire flows in the Southeast area of City.

As identified in the 2002 Water Distribution Study, a new pressure zone is needed to ensure the City's ability to accomplish these needs. Additionally the new pressure zone allows for development to occur in areas of higher ground elevations. These areas of higher ground elevations could not be served with the existing system pressures. The pressure zone is a 9.5 square mile area, essentially bordered by Miami Blvd., the US 70 corridor and the county line.

The new pressure zone will be supplied via the new SEPZ elevated storage tank to be completed by December 2015. In order to properly circulate water in this area to meet water quality standards, and avoid numerous dead-end lines, several key pipeline segments, along Page Rd., Miami Blvd. and NC 55, are being installed.

**Issues and Analysis:**

Five bids were received. The bid results are:

<b>Contractor</b>	<b>Total Bid</b>
Park Construction of North Carolina, Inc.	\$2,449,013.60
J.F. Wilkerson	\$2,577,756.00
D.H. Griffin	\$2,769,936.00
Sullivan Eastern	\$3,079,882.00
Devere Construction	\$3,219,937.00

The Department recommends the City Council award the contract to Park Construction of North Carolina, Inc., the lowest responsible and responsive bidder.

**Alternatives:**

Alternative 1: Do not go forward on the project – This is not recommended at this time. The pricing is competitive and the City’s engineer recommends Park Construction of North Carolina, Inc. for selection based on the price.

**Financial Impact:**

Funding for this contract was budgeted for in the Southeast Distribution System and Water Extension & Capital Improvement Project Accounts. There are currently funds available in these accounts.

Southeast Pressure Zone Watermain Construction		
	\$ 802,251.94	4100P002-731000-P0B87
	\$ 1,647,748.06	4100P002-731000-P0BZ6
(contingency)	\$ 245,000.00	4100P002-731900-P0BZ6
<b>Total</b>	<b>\$ 2,695,000.00</b>	

**SDBE Summary**

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Park Construction of North Carolina, Inc., Morrisville, NC and have determined that they are in compliance with the Ordinance to Promote Equal Business Opportunities in City contracting.

**SDBE REQUIREMENTS**

Firm	ID	City/State	Amount	% of Contract
McKinley Reynolds	MSDBE	Durham, NC	\$ 50,000	2%
Calamar, Inc.	WSDBE	Knightdale, NC	\$33,925.00	1%

The goals for this project were: 2% M/SDBE and 1 % W/SDBE. Park Construction of North Carolina, Inc. attained goals of 2% and 1% respectively for MSDBE and WSDBE and, therefore, met the goals for this project. Workforce statistics for Park Construction of North Carolina, Morrisville, NC are as follows:

Total Workforce	49	
Total Females	2	4%
Total Males	47	96%
Black Males	0	0%
White Males	13	27%
Other Males	34	69%
Black Females	0	0%
White Females	2	4%
Other Females	0	0%