



CITY OF DURHAM | NORTH CAROLINA

Date: November 20, 2017

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald F. Greeley, Director, Water Management

Subject: 2-Inch Water Line Replacement Construction Contract – J.F. Wilkerson Contracting Company, Inc.

Executive Summary

The Department of Water Management (DWM) received bids on November 2, 2017 for the 2-Inch Water Line Replacement Construction Contract. The proposed contract consists of replacing approximately 10,500 linear feet (LF) of existing, undersized water mains and 300 LF of existing sanitary sewer mains with new 6-inch water mains and 8-inch sanitary sewer mains within different project areas throughout the City as shown on Attachment 1. The small portion of sanitary sewer required replacement in order to meet State-mandated water/sewer separation requirements.

The 2-inch water mains do not provide fire protections, and they are in poor condition having been installed in the '60's and '70's using galvanized steel piping. They require frequent emergency maintenance/repair.

The bid received from J. F. Wilkerson Contracting Company, Inc. to perform this work is the lowest responsive and responsible bid. The DWM is recommending award of construction to J. F. Wilkerson Contracting Company, Inc. The DWM also recommends a 10% contract contingency due to the variable nature of construction projects.

Recommendation

The DWM recommends that City Council:

1. Authorize the City Manager to execute a contract with J. F. Wilkerson Contracting Company, Inc. in an amount not to exceed \$2,737,210.00 for the 2-Inch Water Line Replacement Construction Contract,
2. Establish a contingency fund for the contract in an amount not to exceed \$273,721.00, and
3. Authorize the City Manager to negotiate change orders for the contract provided that the total project cost does not exceed \$3,010,931.00.

Background

The DWM is responsible for the maintenance of existing water distribution and sanitary sewer collection infrastructure throughout the City of Durham. A significant portion of this infrastructure is nearing the end of its service life and/or is undersized for potential redevelopment. This project addresses various locations throughout the City (see Attachment 1 – Waterline Replacement Areas) where 2-inch water mains are both aging and undersized.

Two-inch water mains also do not provide fire protection. Also, having been installed in the '60's and '70's, these 2-inch water mains are in poor condition. They were constructed of galvanized steel which is prone to corrosion and which exacerbates maintenance issues.

This contract targets the 2-inch water mains with the worst maintenance history. Future contracts will be developed to address additional 2-inch water main replacement. For this project a small portion of sanitary sewer requires replacement as well to in order to meet State-mandated water/sewer separation requirements.

The proposed project will replace and upsize the existing water and sanitary sewer mains with new infrastructure sized to meet the most current fire flow requirements and buildout projections of wastewater flows. The new water and sanitary sewer mains will provide fire protection, more reliable service, decrease service interruptions associated with maintenance, and provide better water quality.

Issues and Analysis

The DWM formally advertised this project for bid on October 2, 2017. At the bid opening, four bids were received and opened:

J. F. Wilkerson Contracting Company, Inc.	\$2,737,210.00
Pipeline Utilities, Inc.	\$3,870,000.00
Moffat Pipe, Inc.	\$3,966,025.00
BridgePoint Civil, LLC	\$3,998,873.00

The DWM, its consultant, and the Equal Opportunity/Equity Assurance (EO/EA) Department performed a due diligence investigation of the lowest bid and determined that J. F. Wilkerson Contracting Company, Inc. is the lowest responsive and responsible bidder.

Despite the difference in bids between J. F. Wilkerson Contracting Company, Inc. and the second lowest bidder, Pipeline Utilities, Inc., we believe they can successfully perform the work. They have successfully completed past projects for the City of Durham including the Downtown Loop and East Main Street Waterline Replacements. J. F. Wilkerson Contracting Company, Inc.'s bid reflects their knowledge, and thus cost savings, from working with the City.

Alternatives

Alternative #1 - Do not move forward with the water and sanitary sewer main replacement project. This alternative will likely result in increased water main leaks/breaks and deteriorating water quality and fire flow.

Financial Impact

Funding for this contract is available in the following accounts:

Construction funds	4100P002-731000-P0BZS	\$2,737,210.00
Contingency funds	4100P002-731900-P0BZS	\$273,721.00
Total		\$3,010,931.00

SDBE Summary

The EO/EA Department reviewed the bid submitted by J. F. Wilkerson Contracting Company, Inc. of Morrisville, NC to determine if they are in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting. The goals for this project are MUBE 11% and WUBE 7%. Although, J. F. Wilkerson Contracting Company, Inc. did not meet the goals, it was determined they demonstrated Good Faith Efforts and are in compliance with the Ordinance to promote Equal Business Opportunities in City Contracting.

UBE REQUIREMENTS

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

Firm	ID	City/State	Amount	% of Contract
Lacayo Concrete	MUBE	Rougemont, NC	\$52,720.00	1.9
Stay Alert Safety Services	WUBE	Kernersville, NC	\$3,497.00	0.1
Cooper & Associates	WUBE	Morrisville, NC	\$15,800.00	0.6
Autry Construction	MUBE	Zebulon, NC	\$154,000.00	5.6
Covenant Trucking	MUBE	Youngsville, NC	\$70,000.00	2.6

* J.F. Wilkerson is a certified firm in the Small Local Business Enterprise (SLBE) program.

WORKFORCE STATISTICS

Workforce statistics for J. F. Wilkerson Contracting Company, Inc. are as follows:

Total Workforce	52	
Total Females	2	(4%)
Total Males	50	(96%)
Black Males	8	(15%)
White Males	18	(35%)
Other Males	24	(46%)
Black Females	0	(0%)
White Females	2	(4%)
Other Females	0	(0%)