



**Date:** August 15, 2022

**To:** Wanda S. Page, City Manager  
**Through:** Bertha T. Johnson, Deputy City Manager  
**From:** Donald F. Greeley, Director, Water Management  
**Subject:** Award of Construction to J. F. Wilkerson Contracting Company, Inc. for the Lakewood Avenue Sewer Replacement Project

**Executive Summary**

The Department of Water Management (DWM) received bids on June 14, 2022 for the Lakewood Avenue Sewer Replacement project. The proposed project will replace roughly 3,000 feet of sanitary sewer between S. Roxboro Street and S. Duke Street, install roughly 1,000 feet of water main between S. Roxboro Street and Blackwell Street, and provide bank stabilization and enhancement for a tributary to Third Fork Creek. See Attachment 1 for a map of the project area.

The bid received from J. F. Wilkerson Contracting Company, Inc. (JFW) to perform this work is the lowest responsive and responsible bid. DWM recommends award to JFW and establishing a 10% contract contingency for the sewer replacement portion due to the potential issues encountered during utility construction projects. It is recommended that a 15% contract contingency be applied to the stream stabilization and enhancement portion due to the potential issues encountered during this type of work.

**Motion**

To authorize the City Manager to execute a contract with J. F. Wilkerson Contracting Company, Inc. for the Lakewood Avenue Sewer Replacement Project in the amount of \$6,767,268.10;

To establish a contingency fund for the contract in the amount of \$687,674.06; and

To authorize the City Manager to negotiate and execute change orders for the contract provided that the total project cost does not exceed \$7,454,942.16.

**Background**

DWM is responsible for operation, maintenance, evaluation, rehabilitation, and improvement of both the sanitary sewer and water distribution systems throughout the City. Along Lakewood Avenue, the existing 12-inch sanitary sewer between S. Roxboro Street and S. Duke Street requires upsizing with 24-inch pipe to increase capacity for downtown redevelopment (See Attachment 1). The length of this is approximately 3,000 feet. Additionally, 1,000 feet of 12-inch water main will be installed where none exists between S. Roxboro Street and Blackwell Street. This will help with water quality and operational resiliency.

In collaborating with the Public Works Department (PWD) Stormwater and GIS Services Division, PWD determined that stream stabilization and enhancement would help address the impaired water quality in Third Fork Creek. Therefore, several reaches that were identified for potential stream enhancement

opportunities are located in the Lakewood Avenue Sewer Replacement Project area (See Attachment 1). Stream Area 2 is included in this construction project, while Stream Areas 1 and 3 will be constructed as part of a separate construction contract after this project is complete. PWD also recommended a 15% contingency be used for this work.

**Issues and Analysis**

DWM originally advertised the project for bid on March 21, 2022. One bid was received on April 21, 2022. A minimum of three (3) bids are required to open, so the project was re-advertised. Three (3) bids were received on June 14, 2022. The bid results were:

J. F. Wilkerson Contracting Company, Inc.	\$6,767,268.10
Pipeline Utilities, Inc.	\$7,783,090.10
Moffat Pipe, Inc.	\$8,572,548.10

DWM, its consultant, Risk Management, and the Finance Department’s Contract and Compliance division performed a due diligence investigation of the lowest bid and determined that JFW is the lowest responsive and responsible bidder.

**Alternatives**

Do not move forward with the project. This alternative would limit downtown redevelopment and the Third Forth Creek would continue to need water quality improvements.

**Financial Impact**

The funds are currently available in the following accounts:

Construction Funds (Sewer)	4100P002-731000-PSS24	\$6,072,523.10
Contingency Funds (Sewer)	4100P002-731900-PSS24	\$607,252.31
Construction Funds (Water)	4100P002-731000-POCH1	\$475,800
Contingency Funds (Water)	4100P002-731900-POCH1	\$47,580
Construction Funds (Watershed)	4300L045-731000-LK109	\$218,945
Contingency Funds (Watershed)	4300L045-731900-LK109	\$32,841.75
<b>Total</b>		<b>\$7,454,942.16</b>

**Equal Business Opportunity Summary**

The Finance Department reviewed the bid submitted by J.F. Wilkerson of Mooresville, NC and have determined, after a Good Faith Effort Review, that they are in compliance with the Equal Business Opportunity Program Ordinance.

The goals for this project are Minority Underutilized Business Enterprise (MUBE) 11% and Woman Underutilized Business Enterprise (WUBE) 7%.

JFW will subcontract with the following certified firms:

<u>Firm</u>	<u>ID</u>	<u>City/State</u>	<u>Amount</u>	<u>% of Contract</u>
Autry Construction	MUBE	Zebulon, NC	\$325,000	4.8
Covenant Trucking	MUBE	Youngsville, NC	\$60,000	0.9

**Contractor Workforce Diversity & Hiring Practices**

According to the contractor’s responses to the “Contractor Workforce Diversity Questionnaire” the contractor is a medium employer (50 to 100 employees) consisting of a mix of professional/skilled and unskilled workers. The contractor believes it has a diverse workforce because their minority and Hispanic employees are representative of the population. The contractor did not list efforts it makes to have a more diverse workforce.

**Employee Diversity Breakdown for Primary Location**

Employment Category	Total Employees	Total Males	Total Females	Males					Females					
				White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native	White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native	
Project Manager	3	3		3										
Professional	4	3	1	2	1				1					
Labor	56	56		10	18	28								
Clerical	2	1	1	1							1			
Totals	65	63	2	16	19	28			1		1			

**Employee Diversity Breakdown for the Consolidated Company**

Employment Category	Total Employees	Total Males	Total Females	Males					Females					
				White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native	White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native	
Project Manager	3	3		3										
Professional	4	3	1	2	1				1					
Labor	56	56		10	18	28								
Clerical	2	1	1	1							1			
Totals	65	63	2	16	19	28			1		1			

**Attachments**

- Attachment 1 – Figure 1: Map of the Project Areas
- Attachment 2 – Contract
- Attachment 3 – Compliance Report
- Attachment 4 – Contractor Workforce Diversity Questionnaire
- Attachment 5 – Notice of Intent to Award
- Attachment 6 – Recommendation of Award
- Attachment 7 – Certified Bid Tabulation
- Attachment 8 – Bid Form