

M E M O

TO: Engineering & Operations Committee
FROM: Aaron Cook, Engineering Manager
DATE: March 15, 2021
SUBJECT: Award of Gum Tree Pipeline Replacement Project (Job 3141)

Description

Request for Board approval to award the Gum Tree Pipeline Replacement Project to the lowest responsive bidder.

Purpose

As part of the District's pipeline and valve replacement program, a priority list of replacement projects were identified based on high rates of past failures and age of the facilities. The Gum Tree Pipeline is a primary transmission main between Red Mountain and a majority of the District's service area. It was identified as a priority due to leaks, age, and condition, as well as a vulnerable above grade drainage crossing. District staff prepared the design package for the project and solicited for general contractor construction bids. The project consists of approximately 1,400 linear feet of 20" cement mortar lined and coated steel pipe and associated appurtenances. Bids were opened on March 11, 2021 and 14 were received. A summary of the bid results is below:

Company	Bid Amount
SRK Engineering	\$428,500
M-Rae Engineering	\$445,000
Gentry General Engineering	\$488,800
CCL Contracting	\$490,800
TranStar Pipeline	\$522,500
TE Roberts	\$593,300
Filanc Construction	\$598,000
Southland Paving	\$627,572
Kirtley Construction	\$653,506
SCW Contracting	\$741,000
Weka,Inc.	\$759,365
Burktech	\$774,500
Piperin Construction	\$977,000
Bali Construction	\$999,105

SRK Engineering was the apparent lowest responsible bidder at \$428,500. SRK Engineering has successfully completed work for the District in the past.

Budgetary Impact

The approved capital budget for FY2020/21 included \$1,298,000 for pipeline replacement projects. \$370,500 of that was intended for the Gum Tree Pipeline Replacement Project. However, the scope of the project at the time of budget planning included a shorter segment for replacement. During design, additional replacement was identified as necessary. Ultimately, the entire length of the Gum Tree Pipeline has been identified for replacement so the current project advances that goal sooner.

Additionally, due to design challenges associated with right-of-way issues, the project is bidding about 4 months later than planned. As a result, by the time the pipe is fabricated and delivered, most of the project costs will likely occur in FY2021/22 and the current year expenditures for pipeline replacement projects will be under budget. To date, when not including pipeline replacement work completed as part of the SMRCUP, less than \$400,000 and only about 50% of the linear foot replacement goal has been met this fiscal year. Staff recommend that the board consider authorizing additional pipeline replacement budget in FY2021/22 to catch up on pipeline replacement goals. A detailed plan for catching up on pipeline replacement goals will be presented in the upcoming budget development process.

Recommended Action

That the Committee recommend to the Board authorization to award the Gum Tree Pipeline Replacement Project to the lowest responsible bidder, SRK Engineering for \$428,500.