



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE:	February 17, 2021
SUBJECT:	Award South Water Tank Contractor
ACTION PROPOSED:	Consider Awarding South Water Tank Construction to CB&I (McDermott).
ATTACHMENTS:	<ol style="list-style-type: none">1. Tabulation of bids2. Site Map3. Picture of proposed stairway4. Picture of standard vertical ladder
PRESENTED BY:	Marco Carani, Public Works Director

AGENDA ITEM DESCRIPTION:

Enclosed for your review and consideration is a request to award a contract to CB&I (McDermott) for the construction of the South Water Tank.

As Town Council is aware, Staff has been working with J-U-B Engineering on the design of a 1.5-million-gallon elevated water tank south of Pioneer Ridge near the intersection of WCR 17 and WCR 40. The tank will be fed from a new pump house constructed on WCR 13 from a new distribution line constructed from Hwy 60 to tank site and then feeding the Pioneer Ridge development. The benefits of this project will include additional system/water capacity, more consistent pressures in the distribution system, and better water distribution and quality for the south and western parts of Town. The construction of this tank is a recommendation in the 2015 Water Utility report to meet current and future needs. The distribution pipeline will also add value to support development in the southwest area of Town, as well as for future developments in Town.

Based on the fact tank construction is specialty work, the bid was by invitation only and provided to four pre-qualified bidders: Caldwell, Landmark, CB&I (McDermott), and Phoenix. All four of the pre-qualified bidders submitted bids for the Tank project. After review of the bids, staff narrowed it down to two bidders.

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The quotes received were as follows:

Landmark	\$4,269,600.00
CB&I (McDermott)	\$4,391,200.00
Caldwell	\$5,455,500.00
Phoenix	\$5,081,000.00

Town staff along with J-U-B staff interviewed the two low bidders and are recommending an award to CB&I (McDermott). While CB&I (McDermott) has come in slightly higher than Landmark Builders by \$121,600, there are reasons supporting this recommendation. First, Staff as well as J-U-B are recommending CB&I (McDermott) because, while Landmark's foundation design met the requirements of the bid, we believe the structural pier foundation provided by CB&I will add to the stability of the tank and provide a stronger foundation. Another factor in the decision, is the fact that Landmark constructed the Town's North Tank in 2008 and when the project was completed the tank had a lean to it. While we did discuss this past project with them during their recent interview, Staff was not completely satisfied with current quality control (even though the lean was fixed on the north tank).

The bids also have a line item for a stairway at an additional cost, compared to the vertical ladder that comes standard. The stairway provides better safety for Staff and inspectors who may need to climb the tank for maintenance or inspection purposes. The recommendation includes the addition of the stairway installation. The additional cost for the stairway from both contractors is as shown below:

Landmark	\$117,600.
CB&I	\$103,000.

A total of sixteen million (\$16,000,000) was allocated in the FY2021 budget for the entire project. Five million (\$5,00,000) was earmarked for the tank. The amount from CB&I (McDermott) for the tank and stairs equals \$4,494,200. The remaining funds of \$11,505,800 will be used for the distribution line and pump house.

LEGAL ADVICE:

NA

FINANCIAL ADVICE:

Funds have been allocated in the FY2021 budget for the project.

RECOMMENDED ACTION: Approve Selection of CB&I (McDermott) to construct the south 1.5 million-gallon elevated tank.

SUGGESTED MOTIONS:

For Approval: I move to award of the South Tank Construction Contract to CB&I as presented, with the added line item of \$103,000 for a stairway for a total of \$4,494,200. This recommendation also provides to permit the Town Manager to approve changes of up to 5% of the project approved cost herein.

For Denial: I move that we deny awarding a contract and solicit more bids for this project or award to the low bid.

Reviewed and Approved for Presentation:

Town Manager