



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 11/9/2021

**REQUESTER:** Rachel Croft, Staff Engineer

**PRESENTER:** Rachel Croft, Staff Engineer

**ITEM TITLE:** CONSIDERATION OF AWARDING, ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF BID-2122-22, CONTRACT K-2122-44 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND WYNN CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF \$75,000; PERFORMANCE BOND B-2122-34; STATUTORY BOND B-2122-35, AND MAINTENANCE BOND MB-2122-27 FOR THE WATER TREATMENT PLANT CARBON DIOXIDE REPLACEMENT TANK PROJECT AND AUTHORIZING THE UTILITIES DIRECTOR TO PURCHASE MATERIALS ON BEHALF OF THE CONTRACTOR.

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### **BACKGROUND:**

The existing carbon dioxide tank at the City's Water Treatment Plant (WTP) is aging and vendors are not able to supply replacement parts or provide maintenance services to the model any longer. Carbon dioxide is used to adjust the pH of the drinking water to optimum levels to prevent scaling within the Treatment Plant and distribution system.

This project will involve removal of the existing 30-ton carbon dioxide tank at the Water Treatment Plant, complete installation of new 30-ton tank, demonstration of correct operation and dosages both manually and remotely, and training water treatment staff on operation and maintenance.

### **DISCUSSION:**

The Invitation to Bid for Bid No. 2122-22 for Project WA0374 – Water Treatment Plant Carbon Dioxide Replacement Tank was published in the *Norman Transcript* on September 9 and September 16, 2021, and contained a base bid for the removal and disposal of the existing tank and complete installation of the new tank. Two alternate bids were included for the purchase and delivery, as well as training staff on the new tank, either a Tomco Model 3075CA (Alternate 1) or a Chart Energy HSi-CO<sub>2</sub> horizontal storage integrated bulk system (Alternate 2).

Five (5) contractors attended the mandatory pre-bid meeting held on September 23, 2021. Bids were opened on September 30, 2021, and two (2) contractors submitted bids. The bids ranged from \$75,000 to \$250,000 for the Base Bid, \$217,975 to \$218,000 for Alternate 1 and \$245,570

to 252,000 for Alternate 2. Alternate 1 was for the purchase of a Tomco Model 3075CA carbon dioxide tank, similar to the existing tank at the WTP that utilizes a refrigeration unit to keep the gas cool. Alternate 2 was for the purchase of a Chart Energy HSi-CO2 Series Horizontal Storage Integrated Bulk System, which is a carbon dioxide tank with a vacuum-sealed jacket that does not require a refrigeration unit.

Staff looked at energy costs, design life, and operation and maintenance costs associated with each tank. Staff decided the Chart Energy tank was the best tank for our needs due to the lower energy and maintenance costs and longer design life, but the way the bid was written did not allow an alternate Tomco model that utilizes the same kind of cooling system. In addition, the Chart Energy tank bid included the cost of an optional refrigeration unit since the bid specifications were written in terms of the Tomco tank. Because the refrigeration unit is not needed for this model it made the bid for Alternate 2 about \$12,000 over the normal price of the tank. Since the two tanks bid utilize two different kinds of systems in order to keep the gas cool, staff decided to award only the base bid for the project and will create a new bid for the purchase of the tank in order to better compare tanks from different vendors and allow for a fair bid environment.

Wynn Construction Co, Inc. was the low base bid at \$75,000. Wynn Construction Co., Inc. is in agreement with performing the work under this contract while the NUA issues a separate bid for the tank. Staff recommends award of the Base Bid to Wynn Construction Co., Inc. in the amount of \$75,000.

Funding for the project will be \$75,000 from Water Treatment Plant Improvements, Construction (Account 31999939-46101; Project WA0374), which has an available balance of \$350,000 and is sufficient for funding the project.

Work on this project will commence after a tank has been selected, the selected tank has been reserved, and an accurate delivery time is established. Work will continue for approximately 5 months during the winter, when water demand is lower.

#### **RECOMMENDATION:**

Staff recommends the NUA accept bids meeting project specifications; award Bid 2122-22 to Wynn Construction Co., Inc. for the Water Treatment Plant Carbon Dioxide Replacement Tank in the amount of \$75,000; approve Contract K-2122-44 and associated performance, statutory, and maintenance bonds in the amount of the bid; and authorize execution of the contract and bonds and the NUA to purchase equipment and supplies on behalf of the contractor for incorporation into the project to avoid the payment of sales tax on equipment purchases.