



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** March 28, 2023

**REQUESTER:** Chris Mattingly, Utilities Director

**PRESENTER:** Chris Mattingly, Utilities Director

**ITEM TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF FINAL ACCEPTANCE OF CONTRACT K-1819-44: A CONTRACT BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND LAYNE CHRISTENSEN COMPANY FOR THE 2018 GROUNDWATER WELLFIELD DEVELOPMENT PROJECT AND FINAL PAYMENT IN THE AMOUNT \$158,727.77.

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### **BACKGROUND:**

On June 14, 2016, the Norman Utilities Authority (NUA) approved Contract K-1516-139 with Carollo Engineers to work with the Association of Central Oklahoma Governments (ACOG) to review and utilize the existing groundwater model that was created by Oklahoma Water Resources Board. The goal was to determine suitable new well sites that would produce from the most prolific thick saturated sand zones; prepare bid package for drilling test wells and recommend to the City of Norman where the well field expansion should take place.

Carollo and NUA staff worked closely with ACOG to map water bearing sand zones and identified 45 potential test well sites to pursue. The test well sites were prioritized and landowners were contacted to determine if they were willing to initially allow drilling of test wells and if found suitable for potable water use, allow construction of a production well.

Additionally, Carollo prepared plans and specifications as well as documents necessary to pre-qualify well drillers meeting minimum requirements required by the OWRB and the NUA. The pre-qualification notice was advertised November 23 and November 30, 2017, and proposals were received on December 14, 2017. In January 2017, Carollo and the NUA determined that four (4) well drilling firms met the minimum qualifications defined in the prequalification process and these firms were notified.

On October 18, 2018, bids were received from two pre-qualified well drilling firms. The low bid of \$4,714,421.72 was received from Layne Christensen Company (Layne) of Guthrie, Oklahoma. The second bid was \$7,762,342, while the engineering estimate was \$5,218,990. The NUA approved Contract K-1819-44 with Layne Christensen Company to drill 6 wells, to produce an estimated 1.2 million gallons per day (MGD) of the intended 2 MGD.

Staff was pursuing a separate horizontal well concept with another consultant that had potential to provide the 0.8 MGD with one water well. After thoroughly researching the concept, staff determined that the unknown risks with new technology were not palatable at this time. Staff decided to obtain the 0.8 MGD by drilling 3-4 additional vertical wells with proven technology and amended the contract with Layne.

NUA approved Change Order No. 1 (CO#1) in the amount of \$1,607,970.36 for 3 additional wells with Layne December 10, 2019. CO#2 was approved at the City Manager level since it was \$0 and for additional time due to COVID delays. CO#3 was approved at the City Manager level since it was for additional time due to COVID and reduced the contract by \$2,773.85. CO#4 was approved at the City Manager level since it was \$35,866.79 (less than \$40K) and additional time for manufacturing/delivery days due to COVID. CO#5 was approved at the City Manager level since it reduced the contract by \$6,374.24 for a final contract total in the amount of \$6,349,110.78.

### **DISCUSSION:**

The well project is now complete and has added an additional 2.05 MGD to Norman's wellfield capacity. The project took longer than anticipated due to work force, manufacturing, and delivery delays associated with COVID. Layne's final contract amount was \$6,349,110.78 and have been paid \$1,459,808.98 in materials and \$4,730,574.03 in labor costs. Final payment in the amount of \$158,727.77 to Layne is due to close out their construction contract. Our consultant Carollo Engineers, Inc. recommends this final payment amount and staff concurs.

The Water Wells and Supply Lines (Project WB0212) contains funds encumbered to Layne in this amount and aligns with stated final payment.

### **RECOMMENDATION:**

Staff recommends the NUA approve final acceptance and authorize final payment to Layne Christensen Company for Contract K-1819-44 in the amount of \$158,727.77.