

# REQUEST FOR COUNCIL ACTION

**DATE ACTION REQUESTED: January 2, 2018**

Order ___ No.	Ordinance ___ No.	Resolution <u>XX</u> No. 2018-3428	Motion ___	Information ___
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**SUBJECT:** A resolution to authorize the City Manager to enter into a construction contract with 2KG Contractors, Inc. for the Dayton Avenue Pump Station Improvement Project in the amount of \$1,334,947.00

Contact Person (Preparer) for this Motion: Paul Chiu, P.E., Senior Engineer  
 Dept.: Engineering Services Department  
 File No.:

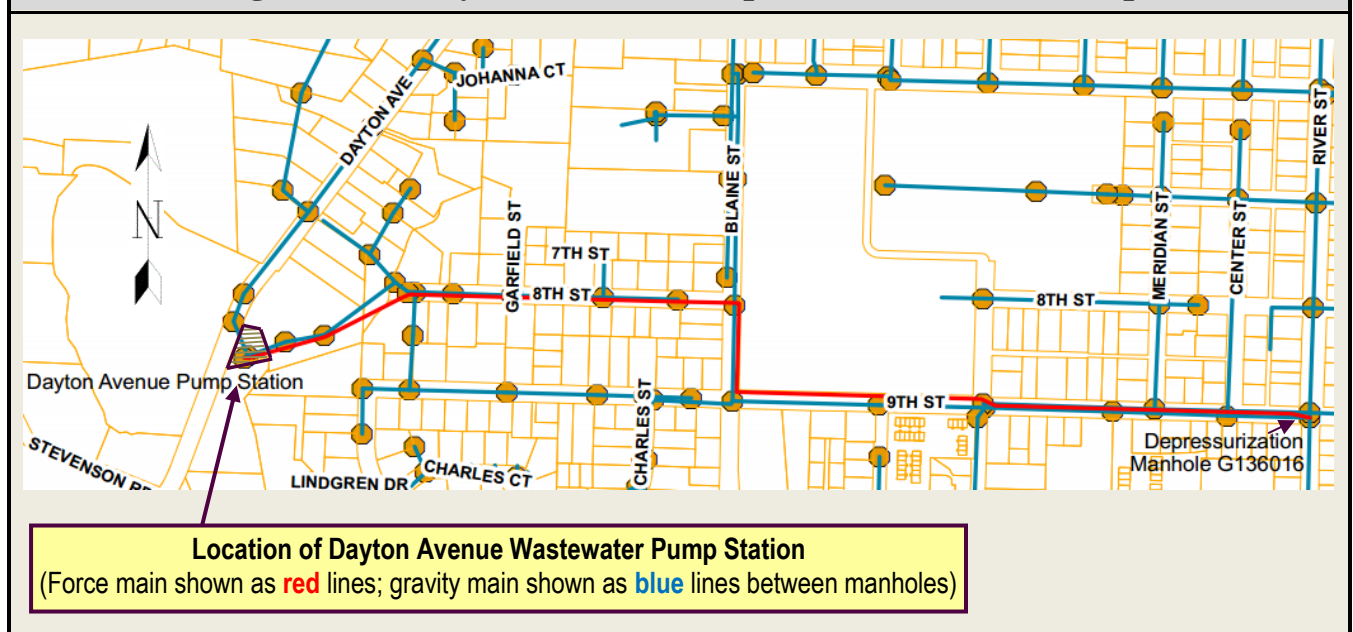
**RECOMMENDATION:**

Adopt Resolution No. 2018-3428.

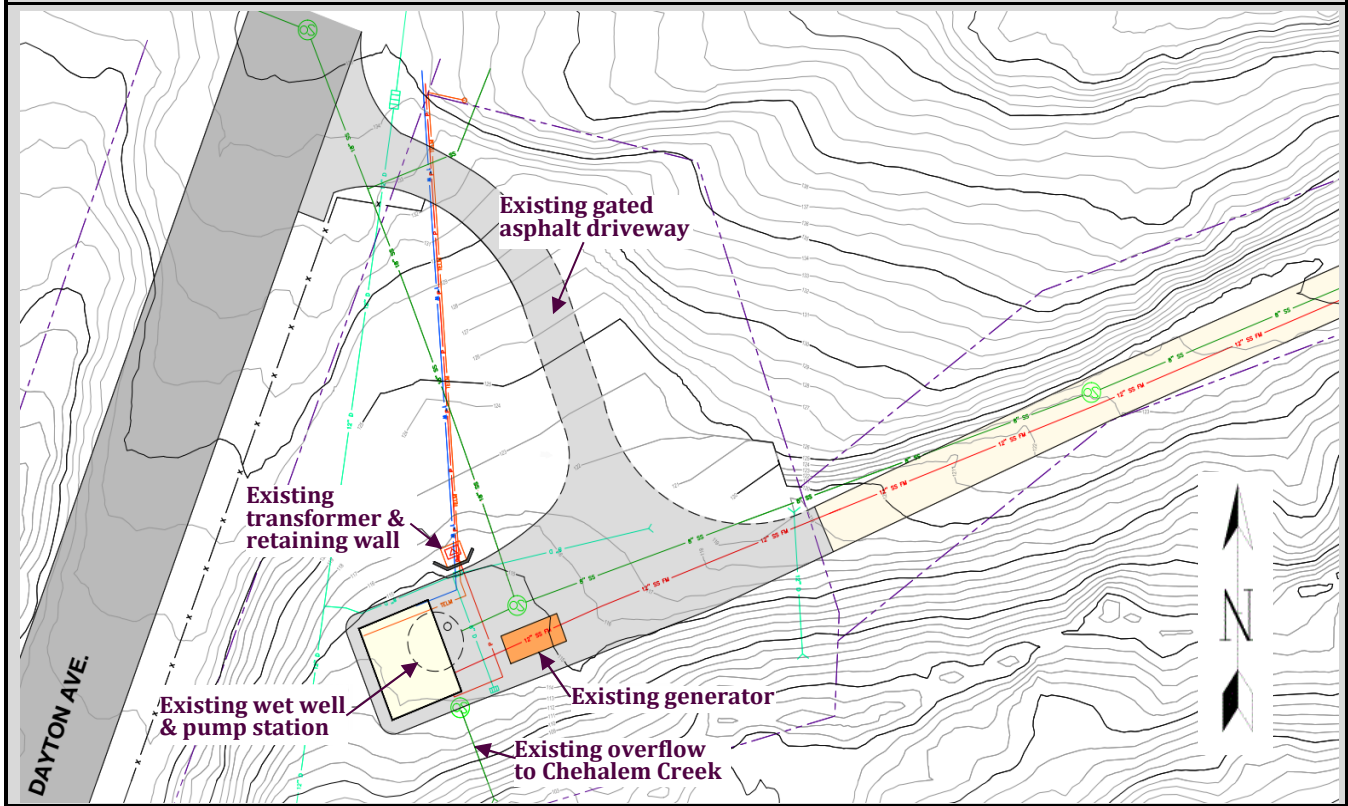
**EXECUTIVE SUMMARY:**

The City’s Dayton Avenue wastewater pump station, constructed in 1993 and located in the southwest sector of the city as shown in Figures 1A and 1B below, has been prone to wastewater overflows. In 2016, the City hired Murraysmith, Inc. (formerly known as Murray Smith & Associates, Inc.) by Resolution No. 2016-3329 to provide a replacement design of the pump station. The consultant, completed the required construction plans, specifications, cost estimate, and secured key permits for the project this summer.

**Figure 1A – Dayton Avenue Pump Station - Location Map**



**Figure 1B – Dayton Avenue Pump Station - Existing Site Map**



The project includes the removal and replacement of the pump system; installation of a new 12-foot diameter wet well, associated valves and piping, a flow meter vault, retaining walls and a stormwater management facility; frontage improvements along Dayton Avenue; and cleaning the material buildup inside the existing 12-inch force main. The Engineer's estimate is in the range of \$1,600,000.00 to \$1,850,000.00.

The project was advertised for bid on October 30, 2017. On November 30, 2017, the city received and opened seven (7) qualified bids from:

- |                                    |                     |
|------------------------------------|---------------------|
| (a) 2KG Contractors, Inc.          | \$1,334,947.00;     |
| (b) Kizer Excavating Company       | \$1,490,000.00;     |
| (c) Canby Excavating, Inc.         | \$1,579,725.00;     |
| (d) Natt McDougall Company         | \$1,609,990.00;     |
| (e) McClure and Sons, Inc.         | \$1,687,252.00;     |
| (f) Trench Line Excavation, Inc.   | \$1,849,925.00; and |
| (g) Stettler Supply & Construction | \$1,872,065.00.     |

The lowest responsive bid submitted by 2KG Contractors, Inc. is lower than the Engineer's estimate.

### **FISCAL IMPACT:**

Funding for replacing the Dayton Avenue Pump Station project has been appropriated in the current fiscal year budget totaling \$2,000,000.00 under account number 04-5150-706393. Any unused construction budget will be re-appropriated for fiscal year 2018-2019 as the project is anticipated to be fully complete in the summer of 2018.

**STRATEGIC ASSESSMENT:**

The replacement of Dayton Avenue Pump Station follows the recommendations of a pump station study subsequent to the last Sewerage Master Plan update in 2007. This pump station project will improve the hydraulic performance and provide a reliable wastewater conveyance for the city's customers throughout the year, in particular during peak winter flow periods.



## RESOLUTION No. 2018-3428

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**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH 2KG CONTRACTORS, INC. FOR THE DAYTON AVENUE PUMP STATION IMPROVEMENT PROJECT IN THE AMOUNT OF \$1,334,947.00**

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**RECITALS:**

1. The city's consultant, Murraysmith, Inc., by Resolution No. 2016-3329, completed the construction plans, specifications and cost estimate for the Dayton Avenue Pump Station Improvement Project.
2. The Dayton Avenue Pump Station Improvement Project is an approved capital improvement project in the 2017-18 fiscal year budget.
3. The City of Newberg advertised the project on the city's website and in the Daily Journal of Commerce on October 30, 2017, soliciting bids in accordance with ORS Chapter 279C Public Contracting and Public Procurement requirements.
4. Seven (7) qualified bids were received on November 30, 2017. They were from:
  - (a) 2KG Contractors, Inc. \$1,334,947.00;
  - (b) Kizer Excavating Company \$1,490,000.00;
  - (c) Canby Excavating, Inc. \$1,579,725.00;
  - (d) Natt McDougall Company \$1,609,990.00;
  - (e) McClure and Sons, Inc. \$1,687,252.00;
  - (f) Trench Line Excavation, Inc. \$1,849,925.00; and
  - (g) Stettler Supply & Construction \$1,872,065.00.
5. 2KG Contractors, Inc. submitted the lowest responsive bid. The Engineer's estimate is in the range of \$1,600,000.00 to \$1,850,000.00.

**THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

1. The City Council, acting as contract review board for the city, does hereby authorize the City Manager to modify and execute a construction contract with 2KG Contractors, Inc. to complete the Dayton Avenue Pump Station Improvement Project in the amount of \$1,334,947.00.
2. The City Attorney will review and approve all contracts and agreements as to form and content.
3. The City Manager is authorized to negotiate and approve any needed construction change orders not to exceed 10 percent of the original contract amount.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: January 3, 2018.  
**ADOPTED** by the City Council of the City of Newberg, Oregon, this 2<sup>nd</sup> day of January, 2018.

\_\_\_\_\_  
Sue Ryan, City Recorder

ATTEST by the Mayor this 4<sup>th</sup> day of January, 2018.

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Bob Andrews, Mayor