



Staff Report

Meeting Date: April 19, 2021

From Mike Walker, Public Works Director

SUBJECT: Guaranteed Maximum Price Proposal for Basin 8 Inflow and Infiltration Rehabilitation Project

BACKGROUND:

The first phase of the City's wastewater system improvements project is underway with the improvements to the collection system in the most leaky basins (sewer basins 8 and 2) and the wastewater treatment plant improvements. On [November 2](#), the City Council authorized the contract with Oxbow Construction for construction manager/general contractor services for the inflow and infiltration rehabilitation project (collection system improvements).

Oxbow completed the first phase of the work which included cleaning and video inspecting the mainline and lateral sewers and developed a detailed plan for rehabilitation work that was reviewed by staff and the city's consultants. With this information, staff and consultants negotiate a Guaranteed Maximum Price and scope of work for the rehabilitation work.

The City received the GMP Proposal for the Basin 8 Inflow and Infiltration Rehabilitation Project on Tuesday, April 13th. Approximately 38% of the work will be self-performed by Oxbow (cured-in-place lining, open-cut rehabilitation and manhole grouting) with the remaining 62% (pipe-bursting and private and public lateral rehabilitation) to be performed by specialty contractors from whom Oxbow solicited bids. All bidding is 'open-book' and the proposals received from the specialty contractors have been reviewed by Leeway Engineering staff. After review of the CM/GC and subcontractor price proposals a Guaranteed Maximum Price of \$5,400,000 was proposed.

The work consists of rehabilitating 21,670 feet (4.1 miles, or over 10% of the collection system) of sewer main line; 23,622 feet (4.47 miles) of public and private sewer laterals; installing 27 new manholes and grouting and sealing of 92 existing manholes in Basin 8 which is roughly bounded on the north by US 26 , on the west by Tupper Rd. and on the south by Evans St. extending east to Vista Loop Dr.

The work is scheduled to begin the first week of May and to be completed by October 31st of this year in order to seal up Basin 8 prior to the start of wet weather.

BUDGETARY IMPACT:

The work will be funded by a loan from the DEQ Clean Water State Revolving Fund (CWSRF) for work on public mains and laterals and the Full Faith and Credit bond issue for the work on private property. The debt service for the loan and bond issue is included in the FY 21-23 budget .

RECOMMENDATION:

Authorize the City manager to negotiate a Guaranteed Maximum Price (GMP) not to exceed \$5,400,000 and sign the contract with Oxbow Construction for the Basin 8 Inflow and Infiltration Reduction Project.

SUGGESTED MOTION:

I move to authorize the City Manager to negotiate a Guaranteed Maximum Price not to exceed \$5,400,000 and sign a contract with Oxbow Construction for the Basin 8 Inflow and Infiltration Reduction Project.

LIST OF ATTACHMENTS/EXHIBITS:

- Recommendation of Award
- Map of Basin 8



April 13, 2021

Mr. Mike Walker
Public Works Director
City of Sandy, Oregon
39250 Pioneer Blvd
Sandy, OR 97055

Re: Basin 8 Sewer Rehabilitation Project for I/I Reduction
Guaranteed Maximum Price Evaluation and Recommendation

Dear Mr. Walker,

After careful review of the Guaranteed Maximum Price (GMP) proposal received by the City of Sandy (City) for the subject project, **Leeway Engineering recommends the City accept the GMP submitted by Oxbow Construction (Oxbow).**

The GMP contains lump sum costs for General Conditions, Contingency, and includes unit prices for the work. Unit bid prices appear balanced and the bid met the requirements of the Contract Documents. Subcontracted work packages were advertised and competitive subcontracted bids were received on April 13, 2021.

The total GMP for Basin 8 is **\$5,400,000**. Subcontracted work will be a maximum of 62% of the project total cost, with the largest subcontractor having no greater than 33% of the project total. During negotiations, the City may request Oxbow to self-perform some additional work.

Based on our review of the GMP, the subcontracted bids received, and our discussions and negotiations with the prime contractor, Leeway recommends acceptance of Oxbow's GMP for Basin 8.

If you have any questions, please contact me at (503) 828-7542.





Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Lee", is written over a light blue horizontal line.

Leeway Engineering Solutions, LLC
Robert Lee, PE, PMP
Principal Engineer / Owner

Leeway Engineering Solutions, LCC
Portland, Oregon | (503) 828-7542

Sewer System Rehab

-  Sewer Mainlines
-  Sewer Laterals
-  Basin 8
-  Sewer Manholes

