

PUBLIC WORKS AND UTILITIES COMMITTEE

08-0537R

RESOLUTION AWARDING A CONTRACT TO KALKBRENNER PLUMBING AND HEATING, INC., FOR THE 2008 REHABILITATION OF PRIVATE SEWER SERVICES IN BASINS 25 AND 26, PHASE IV, IN THE AMOUNT OF \$149,880.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into a contract with Kalkbrenner Plumbing and Heating, Inc., for the 2008 rehabilitation of private sewer services for the engineering division in accordance with its bid of \$149,880, payable out of Sanitary Sewer Fund 530, Department/Agency 500, Organization 1970, Object 5535, City Project No. 0723SN.

FURTHER RESOLVED, that the city council finds that Apex Mechanical is not a responsible bidder and therefore rejects its bid because of the following:

- (a) Bidder has no experience in performing CIPP lining work;
- (b) Bidder has not yet been certified and/or licensed as an installer by the CIPP manufacturer;
- (c) Bidder has not successfully installed a minimum of 1,000 feet of lateral lining per Section SP-9.4 of the contract specifications;

(d) Bidder has not produced evidence that it has the crews to start work without undue delay and the experience and equipment to finish the work in a timely manner.

Approved:

Approved for presentation to council:

Department Director
Purchasing Agent _____

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

ENG/PUR MJG:jh 8/18/2008

STATEMENT OF PURPOSE: This resolution will authorize the rehabilitation of 18 private sanitary sewer services totaling approximately 1,476 feet by cured-in-place pipelining by Kalkbrenner Plumbing and Heating, Inc., in the amount of \$149,880, to be paid from the Sanitary Sewer Fund 0530. Kalkbrenner Plumbing and Heating, Inc., was the lowest qualified bidder. The low bidder, Apex Mechanical, was not a responsible bidder, and its bid was rejected because it has no experience in performing CIPP lining work, has not yet been certified as an installer by the CIPP manufacturer, has not successfully installed a minimum of 1,000 feet of lateral lining per the specifications, and has not produced evidence that it has the crews to start the work or complete the work in a timely manner. The city of Duluth has a major infiltration/inflow problem resulting in sewer overflows. This lateral rehabilitation project is a continuation of a demonstration program of the city's comprehensive plan to eliminate overflows by eliminating infiltration and inflow sources. Kalkbrenner Plumbing and Heating, Inc., has the ability, capacity and skill and has performed admirably on other lateral lining projects. Although Kalkbrenner's bid was one percent higher than the engineer's estimate of \$147,000, we recommend awarding to them because if rebid, lower prices are not expected and we are under orders from the EPA to line 100 sewer services this year; City Project No. 0723sn, Requisition No. 08-0517, Sanitary Sewer Fund 0530, Department/Agency 500, Organization 1970, Object 5535.

Tabulation of bids received August 14, 2008

Apex Mechanical	\$144,330
Kalkbrenner Plumbing & Heating, Inc.	\$149,880