

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: November 10, 2010

Information Item: VI-B-1

2011 PIPE REHABILITATION PROGRAM

Action by Consent

Action

Information

Mainlining Service, Inc. performed exceptionally well on the 2010 Pipe Rehabilitation project with one change order based on a final contract adjustment for valve replacements, access openings, additional pipe cleaning and lining, and associated site restoration. On the 2010 project, which was competitively bid, Mainlining's bid was 25% lower than the 2nd lowest bidder. Mainlining Service, Inc. is very familiar with Denver Water's pipe rehabilitation process and the City & County of Denver's traffic control and street occupancy requirements.

On October 20, 2010, a unit price proposal was received for the 2011 Pipe Rehabilitation Program from Mainlining Service, Inc. of Elma, New York, who performed the rehabilitation work this year. Their proposal reflects a 6% increase to the unit pricing from the 2010 Pipe Rehabilitation Program. Mainlining's original proposal was a unit price increase of 14.5% based on the increase in overall difficulty of the proposed 2011 Pipe Rehabilitation work including:

- 22% more work in arterial streets, resulting in lost labor production due to work hour restrictions.
- 40% more length of larger diameter mains than in the 2010 Pipe Rehabilitation project.

The 2010 contract contained language enabling negotiation of a contract extension based on satisfactory performance at the discretion of Denver Water. Given the current competitive bidding environment, Denver Water Engineering negotiated with Mainlining Services, Inc. to reduce their proposed unit price increase by 8.5%. Additionally, Mainlining Service, Inc. plans to maintain a staging area and retain pipe rehabilitation construction equipment in Denver during the winter months resulting in reduced mobilization costs.

The work generally involves removing the pipelines from service, providing customers temporary service with bypass piping, mechanically cleaning the inside of the pipeline, and applying a thin coat of cement-mortar to prevent corrosion. This improves the hydraulic capacity, water quality, and significantly extends the life of the pipe.

A bid contract of approximately 50,000 lineal feet of pipe rehabilitation is proposed for 2011, equating to an approximate contract amount of \$4,900,000.00. An exact contract amount will be determined upon completion of the final design documents and corresponding final quantities.

For reference, 35,552 linear feet of pipe were rehabilitated in 2010 at a cost of \$2,756,210.59. The increase in the rate of rehabilitation work is part of Denver Water's rehabilitation ramp up to maintain the aging distribution infrastructure.

No Board action is required at this November 10, 2010 Board Meeting. Engineering Staff requests Board's concurrence to accept the unit price proposal from Mainlining Service, Inc. for the 2011 Pipe Rehabilitation Program with a bid contract amount of approximately \$4,900,000.00. Contract documents will be prepared for authorization by the Board in February 2011.

Approvals: 
Robert J. Mahoney
Director of Engineering


James S. Lochhead
CEO/Manager


Patti Wells
General Counsel


Brian Good
Director of Operations & Maintenance