

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 9, 2011

Board Item: V-A-3

**AMENDMENT NO. 1 TO 2010 PIPE REHABILITATION WITH MAINLINING SERVICES, INC.
FOR THE 2011 PIPE REHABILITATION PROGRAM
CONTRACT 12729B**

Action by Consent

Action

Information

At the November 10, 2010 Board Meeting, Engineering Staff provided an informational item requesting the Board's concurrence to accept the unit price proposal from Mainlining Service, Inc. for the 2011 Pipe Rehabilitation Program. The Board concurred with Engineering's recommendation and advised that the final contract amount be presented to the Board in early 2011 when pricing was established from the final contract documents.

On February 28, 2011, a unit price proposal was received for the 2011 Pipe Rehabilitation Program from Mainlining Services, Inc. of Elma, New York, who performed the rehabilitation work in 2010. 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 to line 35,552 linear feet 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 to 6%. Denver Water also realized savings by reusing construction information from the 2010 Program, and not having to produce a full bid package for the 2011 Program.

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. The new lining improves the hydraulic capacity, water quality, and significantly extends the life of the pipe.

A negotiated contract to line approximately 49,054 lineal feet of pipe rehabilitation is proposed for 2011, equating to a contract amount of \$3,685,364.00.

The Minority and Women Business Enterprise (MWBE) goal for this project has been established as 5% participation. Mainlining Service, Inc. achieved 6.09% MWBE participation in 2010 and anticipates a similar level of participation in 2011.

RECOMMENDATION

It is recommended the Board approve Amendment No. 1 to Contract 12729B in the amount of \$3,685,364.00 to Mainlining Service, Inc.

Budget Considerations

Master Plan Code(s): 2DD0145

Budgeted Item Unbudgeted Item Funds transferred from another project:

Budget Information

2011 Budget	\$4,998,098.00
Amount Requested This Item	\$3,685,364.00
YTD Expenditures	\$0.00
Additional Expenditures Anticipated	\$812,734.00
Revised 2011 Estimate	\$4,485,364.00
2011 Variance Required	(\$500,000.00)*

* Hold until near project completion

Approvals:


Robert J. Mahoney
Director of Engineering


James S. Lochhead
CEO/Manager