

FOR BOARD ACTION

Agenda Item # 2

Meeting Date:

09/15/09

SUBJECT: 6" Water Main Lining Project – Skyline Lane SW

PREPARED BY: Doug Rovang, Senior Civil Engineer

ITEM DESCRIPTION:

Six water main "breaks" have occurred in recent years in an approximately 660' section of water main on Skyline Lane SW (two of these have occurred in 2009). Because of the topography of the area, some of these main breaks have resulted in water damage to the residence at 978 Skyline Lane SW. RPU needs to remedy this situation expeditiously.

RPU staff has requested, and received, a proposal from Insituform Technologies USA (Insituform, hereafter) to install a liner inside the existing 6" water main as a pilot project to determine the cost effectiveness and appropriateness of this "trenchless" application in eliminating water main "breaks" in problem water main areas within the City. (A copy of the Insituform quotation for the Skyline Lane repair is attached.) As noted in the quotation, RPU would excavate a pit at each end of the project to facilitate the water main lining process, and would provide temporary water service to the Skyline Lane SW customers whose water service would be shutdown during the project.

The estimated total cost of this water main repair project is \$87,000 – of which the services to be provided by Insituform would total \$76,772.50. (The Insituform cost would include an additional \$1,872.50 for providing a Performance and Payment Bond – see Proposal Exclusions Item 16 of the quotation.) Because the project cost is between \$50,000 and \$100,000, Utility Board (but not City Council) approval is required.

The proposed project legal terms and conditions have been reviewed with the City Attorney. It is the City Attorney's Opinion that this contract is essentially a contract for services and, as such, exempt from the state's competitive bidding law.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Funds are available in the 2009 Water Utility budget for this project.

UTILITY BOARD ACTION REQUESTED:

Staff recommends the Utility Board approve the Skyline Lane SW 6" water main trenchless lining project and a purchase order agreement for the services of Insituform Technologies USA, Inc. in the amount of \$76,772.50 to line the water main in accordance with the RPU Plan-Profile sheet communicated to Insituform on July 28, 2009, and the resulting Insituform quotation dated August 17, 2009.

The justification for this project is based on the need to substantially eliminate the possibility for additional water main "breaks" on this 6" water main during the foreseeable future.


General Manager


Date

ROCHESTER PUBLIC UTILITIES



Worldwide Pipeline
Rehabilitation

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August 17, 2009

****BID QUOTATION – City of Rochester, MN – Public Utilities****

Mr. Doug Rovang, PE
Senior Civil Engineer
Rochester Public Utilities
4000 E. River Rd.
Rochester, MN 55906

**Project Name: Skyline Lane – 6 Inch Water Main
Rochester, MN**

Dear Mr. Rovang:

INSITUFORM TECHNOLOGIES USA, INC. herein proposes to furnish and install, under this Proposal, all labor, materials, equipment, and services necessary to rehabilitate / line the water main for the above referenced project with Insituform's InsituMain™. Except for items listed under section Proposal Exclusions. InsituMain™ is a fully-structural cured-in-place (CIPP) lining solution for pressure pipe rehabilitation.

ASSUMPTIONS AND QUALIFICATIONS

This Proposal is based on **nominal wall thicknesses** for InsituMain™ liner for the above reference project. This is based on the best available information at the time of this proposal. Existing pipe deterioration in excess of the conditions assumed, ground water loads in excess of those assumed, or other loads or conditions may increase costs for the work. Final recommendations may be submitted to you following the completion of the preliminary TV phase of the project. Stated prices are subject to adjustment if design changes are agreed upon.

Water shall be provided at no cost to INSITUFORM TECHNOLOGIES USA, INC. for all construction phases of this project. The Owner shall furnish INSITUFORM TECHNOLOGIES USA, INC. with required water meters and pay all associated fees, deposits, and charges. INSITUFORM TECHNOLOGIES USA, INC. will follow all required backflow prevention and metering procedures.

PROPOSAL PRICING

Bid ITEM NO.	DESCRIPTION	DIA Ø [in]	T [mm]	APPROX. QUANTITY	U/M	UNIT PRICE	ESTIMATED AMOUNT
1	LINER REPLACEMENT Insituform's InsituMain™ liner 6" diameter, approximately 660 lf. Reinstate 4 service connections, under 1 inch INCLUDED	6"	5.0	660 l.f.	Lump Sum	Lump Sum	\$74,900.00
TOTAL == =>							\$74,900.00

PROPOSAL INCLUSIONS

The prices stated in this proposal are based on drawings furnished by Rochester Public Utilities dated June 2009 and July 28, 2009:

1. One (1) mobilization and one (1) demobilization.

2. Pipe line cleaning, up to 3 passes – Loose debris and “normal” deposits using a scraper, “pig”, or jet-sprayer only. Based on information provided by Rochester Public Utilities, cleaning will consist of a lime sludge like material – generally fairly soft. Should extraordinary conditions exist beyond what was provided, then cleaning beyond 3 passes will be paid as an extra along with any needed point repairs.
3. Rehabilitate / line water mains with InsituMain™ liner.
4. Provide Pre & Post – Video inspections and documentation of existing pipe prior to and after installation of InsituMain™ liner.
5. Conform to Insituform’s safety practices and confined space safe entry practices.
6. Pressure test after installation of InsituMain™ – based upon ASTM F 1216 – 07b standard practice
7. Chlorination .
8. Reinstate 4 service connections - under 1 inch.
9. One-year standard construction warranty.
10. Certificate of insurance with a standard coverage.

PROPOSAL EXCLUSIONS

Not included in the prices stated in this estimate are costs associated with the items listed below. These items, if needed or found to be applicable, would be provided by **INSITUFORM TECHNOLOGIES USA, INC.** and reimbursed by the City of Rochester, MN:

1. Excavation pits, shoring of all pits to Insituform standards using shoring boxes, backfilling of pits, site restoration, and traffic control. A typical pit excavation drawing is attached to this proposal.
2. Pits will be required at valves, tees, or bends greater than 22 degrees not shown on plans at the direction of Insituform.
3. No air relief valves have been identified for this lining project.
4. Install and provide for all temporary water mains and service connections including chlorination and BacT testing.
5. City shall dismantle and reassemble water mains at locations determined by Insituform.
6. Disposal of any hazardous / foreign material removed from excavation pits or water mains.
7. If preliminary video inspection of the pipe interior indicates excessive damage, or other extra-ordinary condition, which will require excavation or other extraordinary remedy, to prepare the pipe for installation of the InsituMain™ will be a charged as an extra. This will include excessive roots, excessive debris, and protruding taps and point repairs.
8. Any / all permits or fees for excavations (either within paved or unpaved areas), easements, or other rights-of-way as may be required by the City or other governmental entities.
9. Manual operation of any pumping and / or metering stations and turning off water flow at all gate valves.
10. Water from fire hydrants that are not within a convenient distance from each cleaning and inversion site location. Water Hauling rate: \$125.00/hour.
11. Any / all permits, special fees, or railroad protective insurances, etc.
12. State and local sales and / or use taxes on the value of the project. If tax exempt please submit the appropriate documentation.
13. BacT testing – will be provided by the City of Rochester, MN
14. Any special fittings required for installation of gate valves or fire hydrants.
15. Onsite equipment storage
16. Performance and Payment Bond not included. This is available upon request, but if required add 2.5 percent to the total project cost.

ADDITIONAL CONDITIONS / CLARIFICATIONS TO PROPOSAL

1. During lining portion of the project water will be provided through fire hydrants outside of the limits of this project. Need to have the City provide additional water distribution drawings to determine locations of fire hydrants.

PROPOSAL TERMS AND CONDITIONS

- a) Limits of Liability. In consideration of **INSITUFORM TECHNOLOGIES USA, INC.**'s agreement to maintain no less than \$5,000,000 of comprehensive general liability insurance in the form required by the Contract,

INSITUFORM TECHNOLOGIES USA, INC.'s liability to the Owner for any matter covered by such insurance will be limited to the extent of such insurance and the Owner will indemnify and hold **INSITUFORM TECHNOLOGIES USA, INC.** harmless from any third party claims covered by such insurance to the extent such claims exceed the limits of such insurance. Neither party shall be liable to the other for consequential damages relating to the contract. In case of conflict between this provision and any other provision in the Contract as ultimately executed, this provision shall govern and prevail.

- b) **LIMITED WARRANTY. IN LIEU OF ALL OTHER EXPRESSED, IMPLIED AND/OR STATUTORY WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, CONTRACTOR AGREES TO CORRECT ANY DEFECTS IN THE MATERIALS OR SERVICES PROVIDED BY CONTRACTOR WHICH ARE BROUGHT TO THE ATTENTION OF CONTRACTOR WITHIN ONE YEAR FOLLOWING COMPLETION OF CONTRACTOR'S WORK, PROVIDED OWNER AFFORDS CONTRACTOR SUITABLE ACCESS AND WORKING CONDITIONS TO ACCOMPLISH SUCH CORRECTION.**
- c) **MUTUAL RELEASE OF CONSEQUENTIAL DAMAGES. Neither party shall be liable to the other for consequential damages relating to or arising out of the Contract.**
- d) **PROPOSAL SUBJECT TO NEGOTIATION OF OTHER STANDARD TERMS OF AGREEMENT. This proposal is subject to agreement of the parties on other terms and conditions as are customary in contracts of this nature.**
- e) **Quantities are estimated. Unit prices apply for actual invoice and payment.**
- f) **Payments are due at net within thirty days (30) of invoice. Final payment is due within thirty days of completion of project. Monthly progress partial payments may be requested for the value of work in progress or completed, including materials secured and on site.**
- g) **Prices stated are in effect for ninety (90) days from the date of this proposal. The acceptance period may be extended at the sole option of INSITUFORM TECHNOLOGIES USA, INC.**
- h) **Conflicts. In case of conflict between the provision of the aforesaid paragraphs and any other provision in the Contract as ultimately executed the provisions as set forth above shall govern and prevail.**

Submitted by:
INSITUFORM TECHNOLOGIES USA, INC.



David B. Rosenberg
Business Development Manager
Mobile Phone – 314/602-7661
Email – drosenberg@insituform.com

Accepted

Organization / Company: _____

Signed: _____

Printed Name/Title: _____

Date: _____

Is this Project Tax Exempt? _____ Tax Exemption Number: _____

Does this Project require Certified Payroll? _____ Are there wage rates? _____
Please provide wage rates if applicable.

This accepted proposal constitutes a formal agreement. If you initiate a purchase order or other document, it will not be acknowledged without this proposal as an attachment.

Accepted By: **INSITIFORM TECHNOLOGIES USA, INC.**

By:  _____

Date: August 17, 2009 _____



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with Insituform Technologies, USA for the following services:

Lining of Interior of approximately 660 feet of 6" Water Main in Skyline Lane SW
Skyline Lane SW Water Main Lining Project

The amount of the purchase order contract to be SEVENTY-SIX-THOUSAND-SEVEN-HUNDRED-SEVENTY-TWO and 50/100 DOLLARS (\$76,772.50).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th day of September, 2009.

President

Secretary