

CITY OF HIGH POINT

AGENDA ITEM



Title: Contract Award 2021-22 Water and Sewer Maintenance (Bid 08-030421)

From: Trevor Spencer, PE
Engineering Services Director

Meeting Date: August 2, 2021

Public Hearing: N/A

Advertising Date: February 12, 2021

Advertised By: Purchasing Division

Attachments: A) North State Water and Sewer, Inc. – Email and letter request to cancel contract
B) Breece Enterprises, Inc. – Email confirming bid honor

PURPOSE:

The City of High Point annually awards a contract for water and sewer maintenance and emergency repairs to supplement the Water and Sewer Mains Division of the Public Services Department. The initial contract for FY 21-22 was awarded to the lowest bidder, North State Water and Sewer, Inc. after Council approval on April 5, 2021.

The contract requires that the contractor be on site of an emergency repair within 2 hours of receiving notification from the City. Since the start date of the contract, July 1, 2021, North State Water and Sewer was contacted to perform repairs on five separate emergency water main breaks. Of those five emergencies, the contractor did not respond within the 2 hour time period on four occurrences and was nonresponsive on one occurrence. The City's Engineering Services and Public Services Departments met with the contractor on July 20, 2021 to discuss response time and performance concerns. Acknowledging their inability to respond and perform the work according to the contract requirements, North State Water and Sewer submitted a letter on July 20, 2021 requesting cancellation of their contract with the City (attached).

Breece Enterprises, Inc. was the second lowest bidder for this contract at the March 4, 2021 bid opening and has been contracted for maintenance and emergency repairs in previous years with successful and acceptable performance. Breece Enterprises has submitted documentation (attached) confirming their willingness to honor their March 4 bid submittal to perform the Water and Sewer Maintenance contract, pending Council approval. Additionally, Breece Enterprises has confirmed willingness to provide emergency response until a contract is formally executed.

BACKGROUND:

On Thursday, March 04, 2021 the City of High Point received the following bids for Contract ENG-2021-003:

North State Water and Sewer, Inc.	\$836,975.00
Breece Enterprises, Inc.	\$904,725.00
Yates Construction, Inc.	\$2,488,533.40

This is an annual contract; thus the availability date is July 1, 2021 or upon execution of the contract documents, whichever comes last. The completion date for the contract work is June 30, 2022.

The purpose of this contract is to perform maintenance work and emergency repairs on existing water and sewer utilities. The projects are identified and prioritized by the Public Services Department. Typical work includes point repairs, manhole reconstruction, hydrant repairs, main break repairs, replacement of deteriorated/collapsed lines, replacement of valves, and other maintenance work items.

BUDGET IMPACT: Funds for this contract are available in the FY 2021-2022 budget.

RECOMMENDATION / ACTION REQUESTED:

The Engineering Services Department and the Public Services Department recommend approval of the contract and that the appropriate City official and/or employee be authorized to execute all necessary documents to award the contract to Breece Enterprises, Inc. in the amount of \$904,725.00.

Trevor Spencer

From: Rodney Latham <rlatham@northstatews.com>
Sent: Tuesday, July 20, 2021 1:33 PM
To: Trevor Spencer
Subject: Cancellation Letter for HP Maintenance Contract 2021-2022
Attachments: Cancellation Maintenance Contract HP 072021.pdf

Trevor,

Enclosed document of cancellation.

We will have someone onsite today to clean up both sites from Friday and Saturday's work. I will also be in touch with our repairs for the asphalt this week as well.

Please let me know if you need anything further.

Rodney Latham

North State Water & Sewer, Inc.

3195 Maplewood Avenue

Winston-Salem, NC 27103

phone:336-575-3052

fax:336-765-4731

rlatham@northstatews.com

www.northstatews.com





Trevor Spencer, PE
City of High Point
Engineering Services Director
211 South Hamilton Street, Room 210
High Point, NC 27260

Trevor,

Per our meeting this morning, we mutually agree to cancel our contract with the City of High Point for the Water and Sewer Maintenance 2021-2022 contract.

Thank you for your support during this period and we wish you and the city nothing but the best going forward. As you mentioned, hopefully we can work together in the future!

Best Regards,

A handwritten signature in black ink, appearing to read "Rodney Latham", written over a horizontal line.

Rodney Latham
Vice President
North State Water and Sewer, Inc.

Trevor Spencer

From: h2oandsewer@northstate.net
Sent: Wednesday, July 21, 2021 9:36 AM
To: Trevor Spencer
Subject: Water and Sewer Maintenance (2021-2022)

Trevor,

Please let this email serve as our notice of acceptance of a potential contract for the 2021-2022 water and sewer maintenance contract (2021-003) based on our original bid on March 4, 2021. Also, we will honor the unit prices submitted on that date.

Although it may take several weeks to execute the required contract documents, we will provide labor and equipment as needed for any and all emergencies that may occur during this time.

Please let me know if you need additional information or have any questions.

David Breece
Breece Enterprises, Inc.
631 Old Thomasville Road
High Point, NC 27260
336-688-3719



**FORMAL BID RECOMMENDATION
REQUEST FOR COUNCIL APPROVAL**

DEPARTMENT:

COUNCIL AGENDA DATE:

BID NO.: CONTRACT NO.: DATE OPENED:

DESCRIPTION:

PURPOSE:

COMMENTS:

RECOMMEND AWARD TO: AMOUNT:

JUSTIFICATION:

ACCOUNTING UNIT	ACCOUNT	ACTIVITY	CATEGORY	BUDGETED AMOUNT
TOTAL BUDGETED AMOUNT				

DEPARTMENT HEAD: DATE:

The Purchasing Division concurs with recommendation submitted by the and recommends award to the lowest responsible, responsive bidder in the amount of \$.

PURCHASING MANAGER: DATE:

Approved for Submission to Council
FINANCIAL SERVICES DIRECTOR: DATE:

CITY MANAGER: DATE: