

## MEMORANDUM

**TO: Mayor and Board of Commissioners**

**FROM: Kent Jackson, PE, Engineering Director**

**DATE: December 12, 2022**

**RE: Sanford Force Main Project Update – The Wooten Company**

### **Background:**

On November 8, 2022, bids were received and publicly opened for two construction contracts for the town's wastewater system improvements project. Contract 1 includes the modifications necessary to convert the Small Street wastewater treatment plant to an equalization basin and pump station. Contract 2 comprises the more than 67,000 linear feet of force main pipe to transmit wastewater to the City of Sanford. The total of the low bids totals \$55.1M and far exceed available funds.

### **Summary:**

The Wooten Company (TWC) has served as the town's engineer and project delivery agent since 2017. Charlie Davis is an NC Professional Engineer and the Director of Marketing and Business Development for The Wooten Company. Charlie and his team have led the town's efforts to study, plan, design, and permit the wastewater system improvements. Charlie will give an update on TWC's reaction and response to the recent construction bids and discuss strategies for moving forward with the project.

### **Recommended Action:**

Receive the presentation and offer questions and comments.

### **Attachments:**

- A. TWC - Presentation



# Town of Pittsboro

Wastewater Transmission System Improvements

**Wooten**

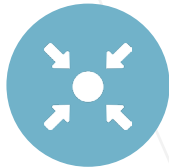
# Brief Lookback



**Concurrent Tasks Enhanced Schedule**



**Monthly Meetings with DWI to Promote Continuity**



**Impactful Events:**

- *NCDWR Environmental Issues*
- *FM Re-Route*



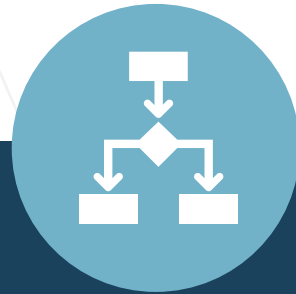
**June Milestones/Schedule Met**



# Funding Pursuit



*Secured Additional  
\$5M SRF Loan*



*Distressed Designation  
Provided Opportunity*



*ARPA Grant Application  
Prepared/Submitted*



# ARPA Cost Opinion



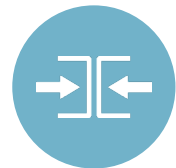
**Prepared in Good Faith with Best Available Information**



**Based on Bid Tabulations of Similar Project Types**



**Applied Customary & Accepted Engineering Standards of Care**



**Comparative Projects Were Limited; No Benefit from 2021 Bid**



**Total Current Funding Requested – \$37.3M**



# Advertisement & Bidding



*Bids Received on Nov. 8*



*(4) Bids Received  
for Each Contract*



*Combined Low Bids: \$55M  
(No Alternates Included)*



*Negotiations Underway  
with Apparent Low Bidders*



# High-Cost Factors



## Market Conditions

- *PVC Pipe Pricing Has Tripled*
- *DIP Pricing Has Doubled*
- *Providing AIS Compliant Materials Adds 25–30% to Cost Fittings, Valves, Etc.*
- *Volatility in Material & Equipment Deliveries Adds Uncertainty to a Project, Leading Contractors to Add Costs to Their Bids to Mitigate Risk*
- *Labor Costs Have Also Increased, But Not at Rate of Materials*



## Limited Subcontractor Participation



## Other Recent DWI Bids



## Next Steps



### **Continue Negotiations**

- *Directional Drill Cost Adjustment*
- *Pipe Pressure Class Change*
- *Directional Drill Pipe Material Change*
- *Isolation Valve Thrust Restraint Change*
- *Remove Dual Screening and Grit Removal Channels*



### **Potential Rebid to Mitigate Cost Escalation**



### **Pursue Supplemental Funding**



### **Consider Benefits of Possible Merger?**



Wooten

*A tradition of* DESIGNING THE FUTURE ▶