



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 3/19/2019

DEPARTMENT: Resource Management

STAFF CONTACT: Mary Jaeger/Amy Tharnish

SUBJECT: Acceptance of renewal of contract to K & W Underground, Inc. for directional drilling services for the Field Operations Division of Public Works.

ITEM DESCRIPTION:

Acceptance of renewal of contract to K & W Underground, Inc. for directional drilling services for the Field Operations Division of Public Works.

SUMMARY: On January 31, 2018, three (3) bids were received for directional drilling services. These services include the installation of water and sewer mains ranging from 6-inch to 12-inch, installation of water service laterals ranging in size from ¾-inch to 4-inch and all necessary preparation work needed for the performance of this service. The directional drilling service is utilized when open-cut installation of a water or sewer main would be too disruptive to the surrounding area. The impact to our residents is less when the City can use the directional drilling services. K & W Underground, Inc. was the lowest most responsible and responsive vendor and was awarded the contract.

Staff recommends renewal of the contract with K & W Underground, Inc. for directional drilling services for 2019-2021.

FINANCIAL IMPACT: The contract with K & W Underground, Inc. will be for a maximum of \$750,000 for the three-year contract term. This service will be funded from the 2019, 2020, & 2021 Waterline Rehabilitation Project, PN 5-R-000-19, 5-R-000-20, & 5-R-000-21.

Funding for the 2019, 2020, & 2021 Waterline Rehabilitation Project, as approved in the 2019-2023 Capital Improvement Plan, includes:

<u>2019</u>	
Revenue Bonds	\$ 800,000
Water & Sewer Fund	\$ 200,000
<u>2020</u>	
Revenue Bonds	\$ 800,000
Water & Sewer Fund	\$ 200,000
<u>2021</u>	
Revenue Bonds	\$ 1,000,000
Total	\$ 3,000,000

ACTION NEEDED:

Acceptance of renewal of contract to K & W Underground, Inc.

ATTACHMENT(S):

None