

**CITY CLERK MEMORANDUM**  
**16-25**

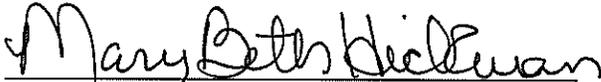
DATE: September 9, 2016  
TO: Honorable Mayor and Members of City Council  
FROM: Mary Beth Hickman, City Clerk  
SUBJECT: ADDITION TO THE SEPTEMBER 12, 2016 CITY COUNCIL AGENDA

Since the agenda's posting on Tuesday, September 6, 2016, city staff has an additional item to include on the September 12, 2016 City Council agenda and in its packet.

City Manager Mark Watson has requested that the following resolution be added to the September 12, 2016 agenda as part of "Resolutions":

A RESOLUTION WAIVING COMPETITIVE BIDS AND AUTHORIZING THE CITY TO  
ENTER INTO A CONTRACT FOR LABOR AND EQUIPMENT TO CONSTRUCT  
IMPROVEMENTS TO THE CITY'S WATER DISTRIBUTION SYSTEM AT THE MAIN  
STREET OAK RIDGE PROJECT SITE.

City Council will need to consider an amendment to the agenda to formally add the aforementioned resolution to the agenda.

  
Mary Beth Hickman

cc: Mark S. Watson, City Manager  
Kenneth R. Krushenski, City Attorney  
Department Directors  
The Oak Ridger  
Oak Ridge Today  
The Knoxville News Sentinel  
BBB Communications

## PUBLIC WORKS DEPARTMENT MEMORANDUM

16-25

**DATE:** September 9, 2016  
**TO:** Mark S. Watson, City Manager  
**FROM:** Roger Flynn, P.E., City Engineer  
**THROUGH:** Shira McWaters, P.E., Public Works Director *SAM*  
**SUBJECT:** **WATER SYSTEM IMPROVEMENT AT MAIN STREET OAK RIDGE SITE**

### Introduction

An item for City Council consideration is the recommendation to allow a one-time exemption to the normal requirement for sealed bids for any purchase of over \$25,000, and to allow City staff to negotiate for labor and equipment to construct improvements to the City water distribution system at the Main Street Oak Ridge site.

### Funding

The exact cost will depend on the final location and appurtenances; however, the Public Works Department is estimating the cost between \$30,000 and \$40,000. Funding is available from the FY-2017 Water Fund budget.

### Background

The Main Street Oak Ridge project is an important project to the City and the Public Works Department wants to mitigate potential risks associated with the older, 1940's era, cast iron pipe located in this area that could potentially impact this project. The original site plan for Main Street Oak Ridge, submitted by Crossland Southeast and earlier plans submitted by RealityLink, showed the site as one large, 65-acre parcel. It also showed a hotel to be located on the northwest corner of the project. The needed utility relocation, associated with the TIF loan, was part of this original plan. Prior to closing on the Main Street Oak Ridge site on June 30 of this year, it was subdivided into 11 parcels and the hotel developer chose to move to the corner of Wilson Street and Rutgers Avenue; the sale of the hotel parcel closed on August 31, 2016. One of the conditions of the sale was that RealityLink deliver to the hotel developer by October 15, 2016, a clean site, meaning one with existing utilities relocated outside of the building envelope; therefore, time is of the essence to complete the utility work. It should also be noted that the utility relocation associated with the new hotel location is an essential component of the TIF.

The primary utility to be relocated is a section of circa 1940, 14" diameter, cast iron waterline that supplies water from the water treatment plant to the water booster pumping station on Pennsylvania Avenue, which is an integral part of the City water distribution system. The original plan (Exhibit 1) submitted for relocation showed the minimum amount of work possible to relocate the waterline from under the proposed hotel envelope. This plan left the waterline under the corner of the existing sidewalk and steps, and the canopy on the north end of the old mall building.

Public Works is concerned about what affect the operation of vibratory compactors and heavy equipment during construction will have on the original 1940's era pipe. It is not uncommon during construction that just the daily movement of heavy equipment can cause breaks in older water mains. Sometimes this activity weakens the pipe, which can result in breaks later on after construction is complete. The City has a history of breaks on the 1940's era pipe that are in the distribution system and the last thing the City wants is to have new construction completed and a water main break occur, which would require digging up the new construction for repairs. This main has had at least three (3) breaks over the past 10 years. Static pressures in this area are in the 100 pound per square inch range and would likely cause significant damage during a break. In addition, a less critical section of 12" diameter waterline running parallel to Wilson Street, and that supplies water to Rice Road, will be replaced.

After reviewing the original plan, Public Works staff developed an alternate plan (Exhibit 2) that can be accomplished within the limited timeframe, but that will move the waterline off the site and out of harm's way. This will also allow the City to replace a portion of the 1940's era pipe, thereby replacing a failing asset. The City is proposing to replace the existing 14" diameter pipe with new 16" diameter pipe. The reason for the installation of 16" rather than 14" pipe is because 14" diameter pipe is no longer considered a standard pipe size and is more difficult to obtain. In addition, implementing this plan negates the need to relocate the 12" diameter line. The additional work proposed picks up and extends the portion of waterline to be constructed by RealityLink at Rice Road and reconnects the water main to the existing 14" diameter main along Rutgers Avenue.

This alternative provides benefits to both the development and City as noted below:

- It replaces an asset that has reached the end of its useful life;
- It provides improvements to the overall water transmission system grid in this area, more suitable for a lifestyle center, over the smaller infrastructure originally constructed to serve the barracks that were once located in this area;
- It protects the new development in this area, which is essential to the revitalization of the downtown area;
- It reduces the risk of water loss associated with a major water main failure, estimated at 1,500 to 2,000 gallons per minute; and
- Resulting societally costs associated with damages to private property.

Both RealityLink and the City agree that RealityLink would have been responsible for the cost of the required relocation, and that the City is willing to fund the cost of the additional improvement and upgrade; however, the October 15, 2016 deadline does not allow the City time for a sealed bid process.

The additional length of new waterline proposed (above what RealityLink is responsible for) is approximately 600 linear feet. Public Works has approximately 400 linear feet in stock and will purchase the additional pipe at a cost of approximately \$9,400, using its annual order, and will also provide stone for backfill from stock.

The purpose of this request is to allow staff to negotiate either with RealityLink, RealityLinks's utility contractor or an independent contractor for labor and equipment, to install the additional pipe.

Recommendation

Public Works staff recommends approval of this proposal.



Roger Flynn, P.E.

Attachment(s)  
Exhibit-1 Original Waterline Design  
Exhibit-2 Approved Waterline Design

**City Manager's Comments:**

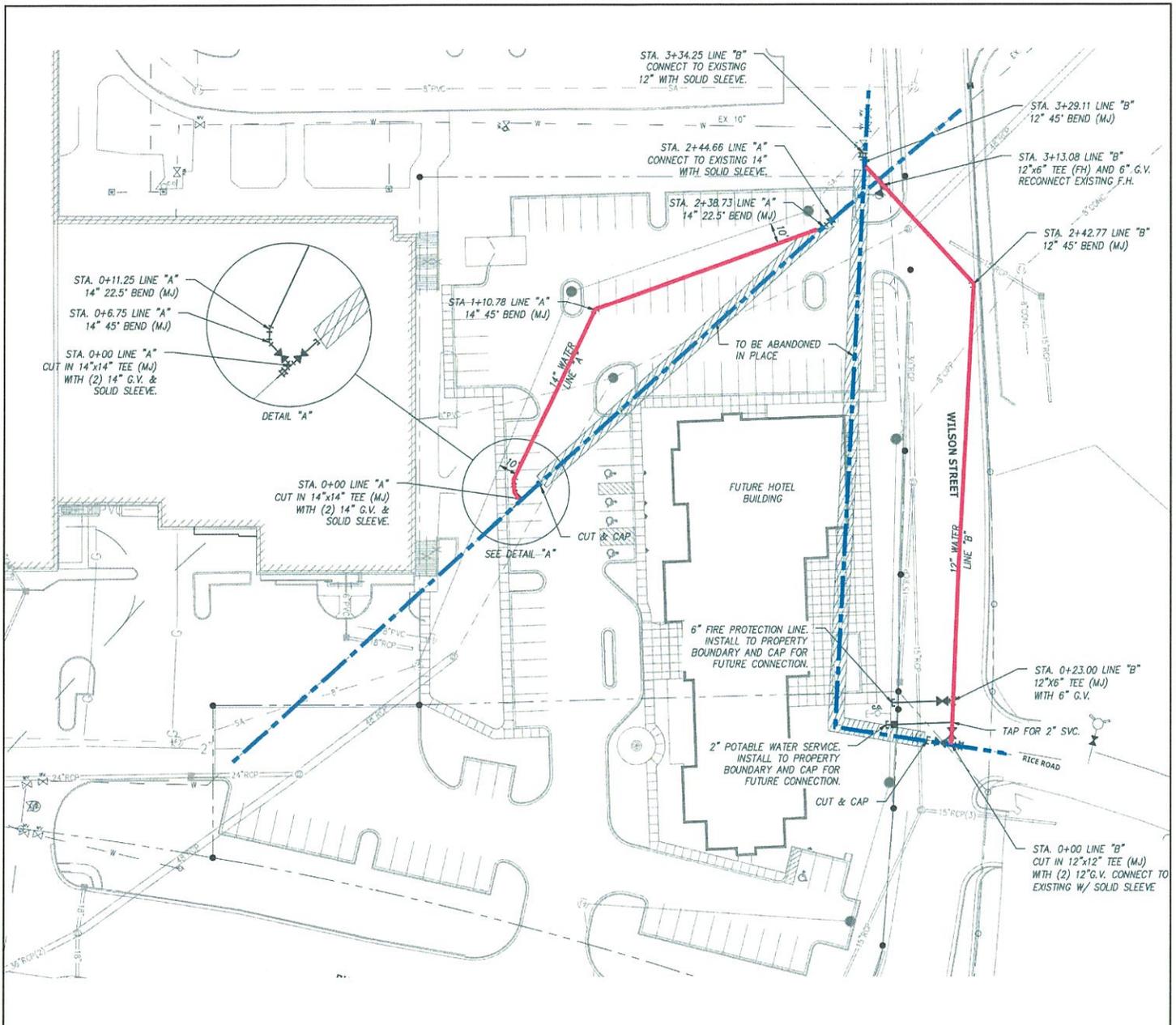
I have reviewed the above issue and recommend Council action as outlined in this document.



Mark S. Watson

9/19/16

Date



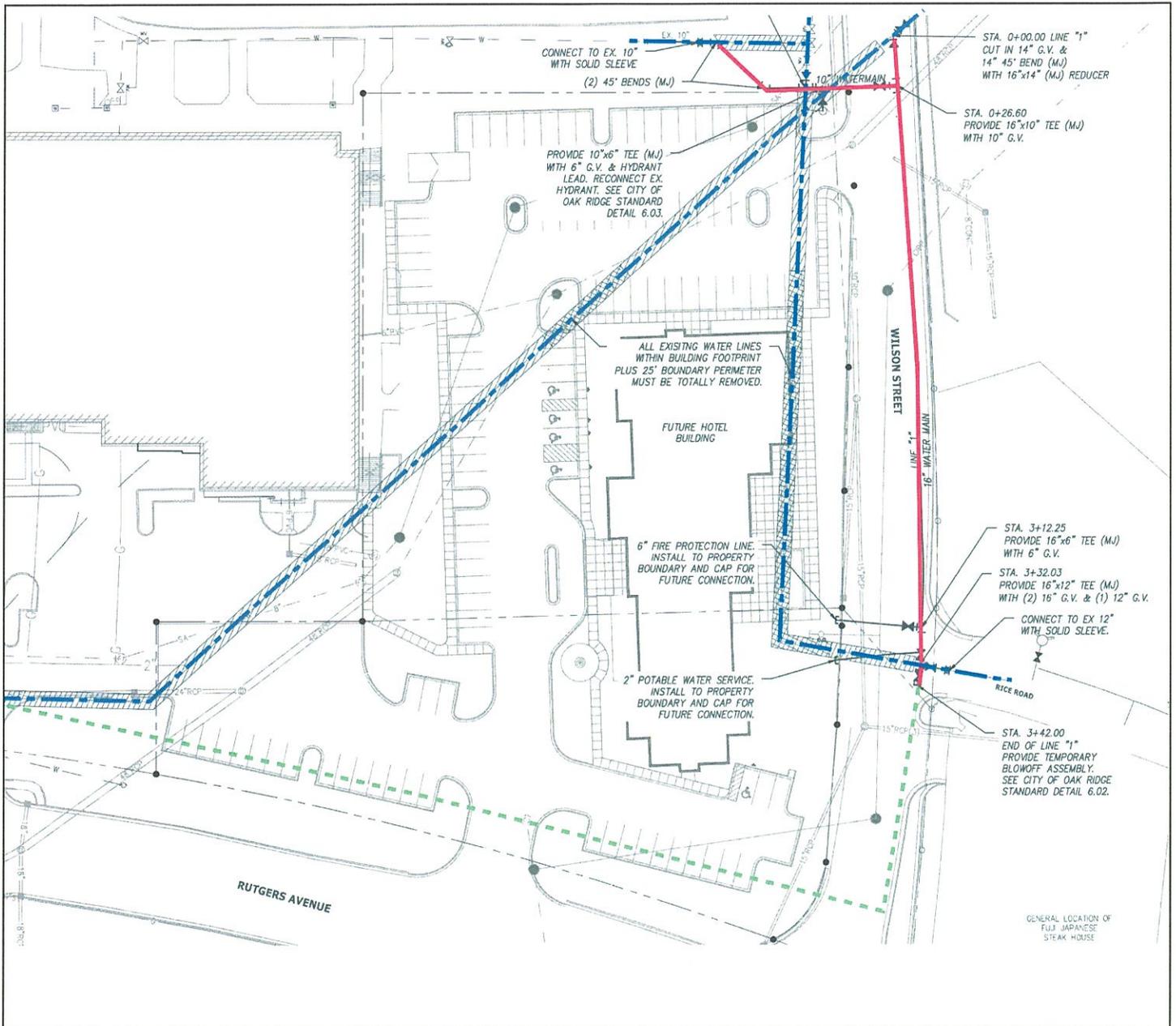
CITY OF OAK RIDGE

ORIGINAL WATERLINE DESIGN  
EXHIBIT-1



LEGEND

- EX. WATERLINE
- EX. WATERLINE ABANDON IN PLACE
- PROP. ORIGINAL NEW WATERLINE BY REALTY LINK



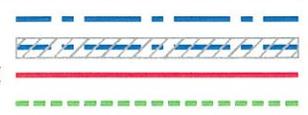
CITY OF OAK RIDGE



APPROVED WATERLINE DESIGN  
EXHIBIT-2

LEGEND

- EX. WATERLINE
- EX. WATERLINE ABANDON IN PLACE
- PROP. NEW WATERLINE FUNDED BY REALTYLINK
- PROP. NEW WATERLINE FUNDED BY CITY



**RESOLUTION**

A RESOLUTION WAIVING COMPETITIVE BIDS AND AUTHORIZING THE CITY TO ENTER INTO A CONTRACT FOR LABOR AND EQUIPMENT TO CONSTRUCT IMPROVEMENTS TO THE CITY'S WATER DISTRIBUTION SYSTEM AT THE MAIN STREET OAK RIDGE PROJECT SITE.

WHEREAS, the City is the owner and operator of the water distribution system; and

WHEREAS, RealtyLink, developer of the Main Street Oak Ridge project, is required to deliver to the hotel developer a clean building site by October 15, 2016, which will require Realty Link to relocate a portion of circa 1940 14" diameter cast iron waterline that is currently under the hotel site; and

WHEREAS, after evaluating RealtyLink's relocation plan and having concerns about the remaining existing waterline's stability at the site due to a history of breaks, the City has proposed an alternate relocation plan to move this portion of the waterline as well as additional waterline off site and out of harm's way; and

WHEREAS, the cost of this relocation will be borne in part by RealtyLink, but the remainder of the relocation will be done at the City's expense as it is an improvement to the water distribution system that is above and beyond what is required by RealtyLink to provide a clean site for the hotel; and

WHEREAS, due to the October 15, 2016 timeframe for completion of the relocation, the City Manager recommends that competitive bids be waived and City Council authorize a contract for labor and equipment to construct the improvements to the water distribution system, which is estimated to cost between \$30,000.00 and \$40,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

That the recommendation of the City Manager to waive competitive bids is approved and the City is hereby authorized to enter into a contract for labor and equipment to construct improvements to the City's water distribution system at the Main Street Oak Ridge project site with respect to the waterline surrounding the hotel site.

BE IT FURTHER RESOLVED that the actual cost of said improvements is unknown but is estimated to be \$30,000.00 to \$40,000.00.

BE IT FURTHER RESOLVED that, due to the short timeframe for construction, the City Manager is hereby authorized to enter into the appropriate legal instruments to accomplish the same.

This the 12th day of September 2016.

APPROVED AS TO FORM AND LEGALITY:

  
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Kenneth R. Krushenski, City Attorney

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Warren L. Gooch, Mayor

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Mary Beth Hickman, City Clerk