



# City of Olathe

## COUNCIL AGENDA ITEM

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**MEETING DATE:** 3/19/2019

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**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.

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**ITEM DESCRIPTION:**

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

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**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:

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

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**ACTION NEEDED:**

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

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**ATTACHMENT(S):**

None

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