

AGENDA
SHAWNEE MUNICIPAL AUTHORITY
December 17, 2012 AT 6:30 P.M.
COMMISSION CHAMBERS AT CITY HALL
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

1. Consider approval of Consent Agenda:
 - a. Minutes from the December 3, 2012 meeting.
 - b. Authorize staff to solicit bids for the Kimberly Lift rehab project.
2. Consider a resolution to declare the Ozone equipment and related controls at the water treatment plant as surplus property and authorizing the sale of said items through sealed bids.
3. Discussion, consideration and possible action to authorize City Manager to contract for the cleaning of the 30" waterline between the filters and to clear blockage due to calcium build up at the caustic injection site not to exceed \$50,000.00.
4. Consider Bids:
 - a. Construction of North Park Block 5 Sewer Line Replacement (Award)
5. New Business (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)
6. Administrative Reports
7. Adjournment

Respectfully submitted

Phyllis Loftis, City Clerk

Shawnee Municipal Authority

1. a.

Meeting Date: 12/17/2012

SMA Minutes

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Title of Item for Agenda

Minutes from the December 3, 2012 meeting.

Attachments

Minutes SMA 12-3-2012

THE TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY OF THE CITY OF SHAWNEE, COUNTY OF POTTAWATOMIE, STATE OF OKLAHOMA, MET IN REGULAR SCHEDULED SESSION IN THE COMMISSION CHAMBERS AT CITY HALL, 9TH AND BROADWAY, SHAWNEE, OKLAHOMA, MONDAY, DECEMBER 3, 2012, FOLLOWING THE BOARD OF CITY COMMISSIONERS MEETING AT 6:30 P.M., PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW. UPON ROLL CALL, A QUORUM WAS DECLARED WITH THE FOLLOWING MEMBERS IN ATTENDANCE:

PRESENT: Agee, Harrod, Mainord, Hall, Winterringer, Smith

ABSENT: Stephens

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda

- a. Minutes from the November 19, 2012 meeting.
- b. Budget Amendment
To adjust Dept 1080 Valve Crew – New Department and Underestimated Expenses

A motion was made by Trustee Smith, seconded by Trustee Winterringer, to approve the Consent Agenda items 1(a-b). Motion carried 6-0.

AYE: Smith, Winterringer, Agee, Harrod, Mainord, Hall

NAY: None

AGENDA ITEM NO. 2: Consider Bids:

- a. Construction of North Park Block 5 Sewer Line Replacement (Open)

BIDDER

AMOUNT

Matthews Trenching Co. Inc.
Oklahoma City, OK

\$118,075.00

Trent Construction LLC Harrah, OK	\$98,947.00
Jordan Contractors Inc. Tecumseh, OK	\$106,000.00
Wee Construction Co. Washington, OK	\$95,530.50
FT Construction Co. Inc. Oklahoma City, OK	\$221,960.00
Tri Star Utilities, Inc. Independence, KS	\$104,575.00

Utility Director Jim Bierd read the bids into the record and requested that the bid award be deferred to the next meeting to allow staff to review and check references.

A motion was made by Trustee Harrod, seconded by Trustee Hall, to defer the bid award to the December 17, 2012 City Commission meeting. Motion carried 6-0.

AYE: Harrod, Hall, Winterringer, Smith, Agee, Mainord
NAY: None

AGENDA ITEM NO. 3: New Business (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no new business.

AGENDA ITEM NO. 4: Administrative Reports

There was no Administrative Reports.

AGENDA ITEM NO. 4:

Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (6:46 p.m.)

AYE:

NAY: None

ATTEST:

(SEAL)

WES MAINORD
CHAIRMAN

LISA LASYONE
DEPUTY CITY CLERK

Shawnee Municipal Authority

1. b.

Meeting Date: 12/17/2012

Kimberly Lift Rehab

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Title of Item for Agenda

Authorize staff to solicit bids for the Kimberly Lift rehab project.

Attachments

Kimberly Lift

Jim Bied
Director

Lyndsay Pickens
Administrative Assistant
Phone: 405-273-1960
Fax: 405-878-1550



Greg Price
Special Projects Manager
405-878-1662

Steve Nelms
Plant Manager
405-273-1699

111 S. Kickapoo, Shawnee, OK 74801

MEMORANDUM

To: City Commission
From: Steve Nelms, Plant Manager
CC:
Date: December 12, 2012
Re: Kimberly Lift Rehab

Staff would like permission to go out for bids on the Kimberly Lift rehab project. Budgeted amount is \$70,000.

Shawnee Municipal Authority

2.

Meeting Date: 12/17/2012

Ozone equipment surplus

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Title of Item for Agenda

Consider a resolution to declare the Ozone equipment and related controls at the water treatment plant as surplus property and authorizing the sale of said items through sealed bids.

Attachments

Ozone Surplus

Jim Bierd
Director

Lyndsay Pickens
Administrative Assistant
Phone: 405-273-1960
Fax: 405-878-1550



Greg Price
Special Projects Manager
405-878-1662

Steve Nelms
Plant Manager
405-273-1699

111 S. Kickapoo, Shawnee, OK 74801

MEMORANDUM

To: City Commission
From: Steve Nelms, Plant Manager
CC:
Date: December 12, 2012
Re: Ozone Equipment

Staff would like to recommend declaring the Ozone equipment and related controls at the water treatment plant as surplus and take sealed bids on their sale.

The equipment consists of three(3) 50 pound ozone generators, six(6) dryer cans divided into two(2) banks, three (3) 45-50 cfm turbine injectors, four (4) individual plc controllers (1 for each ozone unit and 1for the dryers) and one coordination controller to operate the entire system.

Ozone Generator 1
Model # N-1000
Negative Pressure Ozone Generator

Ozone Generator 2
Model # N-1000
Negative Pressure Ozone Generator

Ozone Generator 3
Model # N-1000
Negative Pressure Ozone Generator

Air Dryer System
Model # N-3000AP
Negative Pressure Air Dryer System



SMITH ROBERTS BALDISCHWILER, LLC
engineering.surveying.planning

December 13, 2012

Shawnee Municipal Authority
16 West 9th Street
Shawnee, OK 74801

Dear Sirs:

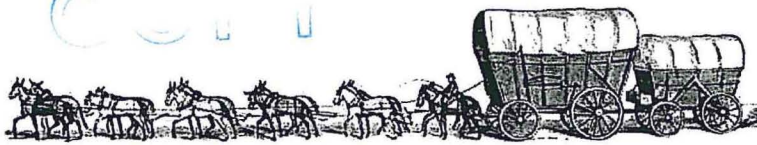
As the Engineers for the Shawnee Water/Wastewater Comprehensive Master Plan Study (SMA 13-02), we are conducting on-going investigations of the Shawnee Water Treatment Plant.

We foresee no future use for the existing Ozone –generation equipment in the Ozone building. Therefore we concur that this equipment could be deemed surplus and the existing building utilized for future equipment or chemical storage.

Sincerely,

Max J. Baldischwiler, P.E.
Smith Roberts Baldischwiler, LLC

File:113487



COPY

THE LANDRUN GROUP, LLC

ENGINEERING, SURVEYING, DRAFTING, LAND MANAGEMENT, CONSTRUCTION MANAGEMENT

Jim Bied
Shawnee Municipal Authority
16 West 9th Street
Shawnee OK, 74801

RECEIVED
SEP 18 2012

September 14, 2012

Re: 150# O₃TI Ozone System Salvage Value Evaluation

G. PRICE

Dear Mr. Bied:

COPY

Per our discussions, preliminary review, and information obtained, The LandRun Group, LLC has made several inquiries regarding the value of the Ozone equipment designed and purchased around 2003 to control THMs that never worked adequately to meet minimum state standards. The equipment use was discontinued after approximately 6 to 8 months of run time and has never operated in its full capacity since. The equipment consists of three (3) 50 pound ozone generators, six (6) dryer cans divided into two (2) banks, three (3) 45-50 cfm turbine injectors, 4 individual plc controllers (1 for each ozone unit and 1 for the dryers) and one coordination controller to operate the entire system. The system has been tested within the past 2-3 years and is still operative according to information obtained from the original manufacturer.

The evaluation began by contacting and speaking to Wayne Wolf (owner of O₃TI) which is a company no longer in the business of developing ozone systems. He was able to provide some general information regarding the original cost of the equipment. Based on our conversation the original cost of the system to the City of Shawnee was approximately \$740,000. O₃TI's contractor cost was as follows:

1. 3 – 50# ozone generators w/plc controllers @ \$86,000 ea.	\$258,000.00
2. 6 – Dryer cans (2-sets of 3) w/plc controllers @ \$27,000 ea.	\$162,000.00
3. 3- Turbine Injectors (45-50 cfs) @ \$75,000.00	\$225,000.00
4. 1 – PLC Coordinator – Controller	\$ 18,000.00
Total	\$663,000.00

Based on our discussion, O₃TI policy was to establish a 35% - 40% profit margin on equipment and sales. The number typically fluctuated based on distance and amount of time required to develop the project. Actual records were not provided but based on location; I would assume the profit margin would have been 35%. This assigns an estimated manufacturing cost of \$430,500.00 for the equipment.

After determining the original value of the equipment, the LandRun Group began determining whether there was an aftermarket for re-conditioned ozone equipment. Several leading manufacturers were contacted such as Ozone Pure Water, Clearwater Tech which indicated a very limited knowledge of an aftermarket for this size of generator or equipment. It appears that if the system would have been comprised of 3 individual 50# generator systems with dryers & injectors, etc. a better opportunity would exist but the size exceeds typical needs of most commercial or industrial operations such as aquariums

116 NORTH BROADWAY
SHAWNEE, OK 74801
(405) 273-4222

PO BOX 1584
SHAWNEE, OK 74802-1584
WWW.LANDRUNGROUP.COM

COPY

and larger scale air purification systems. During the discussions it was determined that the maximum value could be established if a supplier was found who could break up the system and piece the equipment out but the company would have to be very specialized and the cost and time associated with breaking it up might exceed the increased value of the system.

When asking their professional opinions regarding worth, a general consensus regarding value of the system almost every organization indicated the worth to be completely arbitrary based on need. The general consensus was the stainless steel scrap metal value of the system would be approximately \$2,500.00. Upon further inquiry, the general agreement was that if an aftermarket purchase of the entire system could be found a realistic value of 25% to 30% of the manufacturers cost or a value of \$107,625.00 to \$129,150.00 would be very fair value. Most agreed that the City of Shawnee should be very pleased if they could recover a salvage value of \$150,000.00 from the system.

During our evaluation one of the equipment suppliers indicated they had heard of a person who was once involved with aftermarket equipment by the name of John Overby but were unaware of the name of his company. Through a range of searches, a company by the name of Ozone Water Systems, 5401 South 39th Street, Phoenix, AZ 85040, (480) 421-2400 was found with an owner named John Overby. The company was contacted and indicated that it is involved in purchasing and re-furbishing aftermarket ozone systems and they would have Mr. Overby contact me to discuss the equipment and whether the company might be interested if the equipment is put up for sale or auction.

Extensive discussions with Ozone Water Systems/Mr. Overby regarding the equipment, value or sales opportunities is outside the scope of services requested of the LandRun Group but we feel Shawnee Municipal Authority (SMA) should begin discussions with this company to obtain a second opinion regarding an aftermarket value (attached company information).

Based on our evaluation and professional engineering opinion the City of Shawnee should begin by asking \$150,000 for the equipment with a minimal consideration of \$75,000.00. This evaluation was based completely upon our above described engineering investigation.

Thank you for requesting services from our firm. If further information is required, please call (405) 273-4222.

Sincerely,

A circular professional engineer seal for Stephen T. Landes, Oklahoma, PE# 19539. The seal features the text "REGISTERED PROFESSIONAL ENGINEER" around the top and "STEPHEN T. LANDES" in the center. Below the name is "PE# 19539" and "OKLAHOMA" at the bottom. A stylized signature is written over the seal.

Stephen T. Landes
PE# 19539

116 NORTH BROADWAY
SHAWNEE, OK 74801
(405) 273-4222

PO BOX 1584
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WWW.LANDRUNGROUP.COM

RESOLUTION NO. _____

A RESOLUTION DECLARING THE FOLLOWING OZONE EQUIPMENT SURPLUS PROPERTY AND NO LONGER NEEDED FOR CITY PURPOSES; DESCRIBING SAID ITEM; AND AUTHORIZING STAFF TO PROCEED WITH ADVERTISING FOR SEALED BIDS FROM THE PUBLIC FOR SALE.

WHEREAS, the City of Shawnee owns the following property:

Ozone Generator 1
Model # N-1000
Negative Pressure Ozone Generator

Ozone Generator 2
Model # N-1000
Negative Pressure Ozone Generator

Ozone Generator 3
Model # N-1000
Negative Pressure Ozone Generator

Air Dryer System
Model # N-3000AP
Negative Pressure Air Dryer System

And all parts and accessories relating to said Ozone equipment.

WHEREAS, this item is obsolete and surplus to the City of Shawnee; and

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF SHAWNEE, OKLAHOMA:

That the above-described items are hereby declared to be surplus and obsolete and no longer needed for city purposes.

That city staff is hereby authorized to proceed with advertising for sealed bids from the public.

ADOPTED this 17th day of December 2012.

WES MAINORD
MAYOR

(SEAL)

ATTEST:

PHYLLIS LOFTIS, CMC, CITY CLERK

Shawnee Municipal Authority

3.

Meeting Date: 12/17/2012

Cleaning Filters

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Title of Item for Agenda

Discussion, consideration and possible action to authorize City Manager to contract for the cleaning of the 30" waterline between the filters and to clear blockage due to calcium build up at the caustic injection site not to exceed \$50,000.00.

Shawnee Municipal Authority

4.

Meeting Date: 12/17/2012

Consider Bids

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Title of Item for Agenda

Consider Bids:

Shawnee Municipal Authority

4. a.

Meeting Date: 12/17/2012

North Park (Award)

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Title of Item for Agenda

Construction of North Park Block 5 Sewer Line Replacement (Award)

Attachments

Bids North Park

Jim Bierd
Director

Lyndsay Pickens
Administrative Assistant
Phone: 405-273-1960
Fax: 405-878-1550



Greg Price
Special Projects Manager
405-878-1662

Steve Nelms
Plant Manager
405-273-1699

111 S. Kickapoo, Shawnee, OK 74801

MEMORANDUM

To: City Commission
From: Steve Nelms, Plant Manager
CC: Brian McDougal, City Manager
Date: December 12, 2012
Re: North Park Sewer Line Replacement Award

Included in the bids for the North Park Sewer Line Replacement project were 2 options as well as the base bid:

	Jordan Contractors	Wee Construction	FT Construction	Tri-Star Utilities	Trent Construction	Mathews Trenching
Base Bid	106,000	95,530.50	221,960	104,575	98,947	118,075
Option 1 (Line B)	-1,500	6,000	0	-1,000	-5000	10,000
Option 2 (Pipe Materials)	6,000	8,500	7,097.60	7,500	1,500	0
Total with options	110,500	110,030.50	229,057.60	110,075	95,447	128,075

Option 1: There are two different areas to install the sewer line. This option gave a second price on an alternate route.

Option 2: Changed the pipe materials from SDR-35 to polypipe.

After going over the bid documents and checking references, staff would recommend awarding the bid to Trent Construction including all options for \$95,447. Budgeted amount for sewer line rehab is \$1,000,000.