

Memorandum

REPORT TO: City Commission

FROM: Brian Heaston, Senior Engineer
Shawn Kohtz, Director of Utilities
Greg Sullivan, City Attorney

SUBJECT: Ratify the Construction Contract with CK May Excavating, Inc Signed by the City Manager for the Sourdough Water Supply Pipeline Emergency Repairs Project.

MEETING DATE: December 9, 2025

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Ratify the Construction Contract with CK May Excavating, Inc Signed by the City Manager for the Sourdough Water Supply Pipeline Emergency Repairs Project.

STRATEGIC PLAN: 6.1 Clean Water Supplies: Ensure adequate supplies of clean water for today and tomorrow.

BACKGROUND: Sourdough Tank is presently offline and drained of water to complete the Phase 1 Sourdough Tank Rehabilitation Project. After the tank had been completely emptied a continuous discharge of approximately 200 gpm was observed exiting the tank's drain line. An investigation ensued to determine the origin of this water that identified a main break on the 24" pipeline connecting the tank to the municipal water distribution system. City water operations crews are unable to repair the break due to its 20' depth, thus necessitating the attached emergency contract with CK May Excavating. To facilitate a safe repair and reduce operational risks to the water system, a new 24" valve must be installed on the 24" pipeline about 150' down the line from the break. The new valve allows the break to be isolated and keep the hydraulic control valves in the Sourdough Bypass building operational. The control valves are critical system components that regulate system pressure and flowrate. Once the new valve is installed, the 24" main break can be repaired.

The attached emergency contract with CK May Excavating was executed on November 20, 2025 for the new 24" valve installation and pipeline repair. The City is exercising the exemption from public bidding for certain contracts provided at MCA 7-5-4303 to affect the emergency repair. The City Commission through its ratification of this emergency contract recognizes and declares that an emergency exists and that immediate repair of the 24" pipeline serves the public interest. Ratification must occur by supermajority

vote.

UNRESOLVED ISSUES: None.

ALTERNATIVES: As determined by the City Commission.

FISCAL EFFECTS: The attached emergency contract provides payment on a cost-plus percentage fee basis. The City will reimburse the contractor its project costs for materials, labor, and equipment, which shall be determined in accordance with industry standard methods, and provide a 20% fee above such costs for general overhead and profit. Funding for the emergency project is from the water enterprise fund. Total costs, including City-provided materials, are anticipated to run between \$100k - \$200k.

Attachments:

[Emergency Contract CK May.pdf](#)

Report compiled on: November 21, 2025