



AGENDA MEMORANDUM

Action Item for the City Council Meeting of April 29, 2025

DATE: April 29, 2025

TO: Peter Zaroni, City Manager

FROM: Jeff H. Edmonds, P.E., Director of Engineering Services
jeffreye@cctexas.com
(361) 826-3851

Nicholas Winkelmann, P.E., Director of Water Systems and Support Services
nickw@cctexas.com
(361) 826-1796

Sergio Villasana Jr., CPA, CGFO, CIA, Director of Finance & Procurement
sergiov2@cctexas.com
(361) 826-3227

<p style="text-align: center;"><u>Construction Contract Award</u> Citywide Large-Size Water Line Cathodic Protection System (IDIQ) Re-Bid Project No. 23064</p>

CAPTION:

Motion awarding a construction contract to RUTS Construction, LLC of Haslet, Texas in an amount up to \$2,500,000.00 with two renewal options to be administratively authorized for a total amount up to \$7,500,000.00 for the Citywide Large-Size Water Line Cathodic Protection System Indefinite Delivery Indefinite Quantity (IDIQ) Project, located Citywide, with FY 2025 funding available from the Water Capital Fund.

SUMMARY:

This motion awards a construction contract for the Citywide Large-Size Water Line Cathodic Protection System (IDIQ) Re-Bid project to replace existing cathodic protection systems that have exceeded their useful life and are no longer protecting the water lines within the City's water distribution system at various locations throughout the City and the Mary Rhodes pipeline.

BACKGROUND AND FINDINGS:

The project is an Indefinite Delivery Indefinite Quantity (IDIQ) construction contract to complete cathodic protection repairs and internal remote inspections on various large-diameter water lines throughout the city and the Mary Rhodes pipeline. The work will be issued by the City in multiple indefinite quantity individual work orders called "Delivery Orders" (DO) that provide specific scope and requirements in accordance with the plans, specifications, and contract documents. The delivery orders are planned, designed, and prepared using established line items for pricing.

Only relevant line items will be utilized for each delivery order. The final quantities for each line item will differ due to the scope and extent of the various projects. This is a "not to exceed" contract, where delivery orders can only be issued up to the contract ceiling.

The scope of work includes the installation of new cathodic protection test stations, testing and commissioning, installation of external bond clips at existing pipe joints, an impressed current cathodic protection system with rectifiers and a deep anode well, testing and commissioning, O&M manuals, training of City staff, and internal remote inspections of existing water lines.

The contract will have an initial one-year term, with the option to administratively renew for two additional one-year periods, in an amount up to \$2,500,000.00, for a total not to exceed \$7,500,000.00. The decision to exercise renewal options will be based on the Contractor's successful performance of the assigned work. Each Delivery Order shall be treated as an individual contract and must be completed within the stipulated substantial completion days specified in each Delivery Order document.

PROJECT TIMELINE:

2024-2025	2025 - 2026
December - April	April - April
Bid/ Award	Construction

Project schedule reflects City Council award in April 2025 with anticipated completion in April 2026.

COMPETITIVE SOLICITATION PROCESS

On January 13, 2025, the Contracts and Procurement Department issued a Request for Bids (RFB #6292) for the Citywide Large-Size Water Line Cathodic Protection System Indefinite Delivery Indefinite Quantity (IDIQ) project. The project was previously advertised three different times with no bidders. Following each advertisement, the City contacted several contractors to gather feedback, updated the bidding plan, and informed interested contractors once the revised bidding documents were made available. The staff also incorporated the Mary Rhodes Pipeline cathodic protection into the project to enhance the budget, thereby attracting more interested contractors. On the fourth advertising attempt, nine general contractors downloaded bid documents with four of those contractors being local. On January 29, 2025, the City received one bid. The city analyzed the bids according to the contract documents and determined that RUTS Construction, LLC was the lowest responsive and responsible bidder. As the lowest bid received was within the acceptable range of the Engineer's Opinion of Probable Cost.

A summary of the bids is provided below:

BID SUMMARY	
CONTRACTOR	BASE BID
Rangeline Utility Services, LLC dba RUTS Construction, LLC	\$5,330,410.00
<i>Engineer's Opinion of Probable Construction Cost</i>	<i>\$2,497,890.00</i>

RUTS Construction, LLC, has successfully completed various projects with comparable scopes of work for local municipalities, including:

- City of Greenville: installation of 24-inch HDPE water line in casing at a cost of \$605,000
- City of Electra, Texas: construction of 1,700 linear feet of 8-inch water line at a cost of \$280,000
- City of Lubbock: installation of pump and transmission lines varying in size from 18-inch to 42-inch at a cost of \$1.5M
- North Texas Municipal Water District: installation of cathodic test stations on an 84-inch at a cost of \$1.4M.
- CCW department - the Mary Rhodes Pipeline projects: RUTS Construction, LLC has successfully completed replacement and improvement on various large diameter water lines throughout CCW's water distribution and raw water system. They are currently working on Mary Rhodes Pipeline Phase 1 Assessment project .

Upon the awarding of the project, RUTS Construction, LLC will designate a local crew to respond to the project's emergency response delivery orders in accordance with the Emergency Response Requirements outlined in the contract documents. RUTS Construction is currently working with the CCW department on the Mary Rhodes Pipeline Phase 1 Assessment. Staff are happy with RUTS Construction's performance on both current and previous projects.

The contractor has some line items that were considerably higher in cost than the Engineer's Opinion of Probable Construction Cost. This may be due to these line items presently being more expensive or construction requiring added labor than the consultant anticipated.

ALTERNATIVES:

City Council could choose not to award the construction contract to Rangeline Utility Services, LLC dba RUTS Construction, LLC. This would delay repairs to the cathodic protection system on water distribution lines causing more costly repairs to the infrastructure.

FISCAL IMPACT:

The fiscal impact for the FY 2025 is an amount of \$2,500,000.00 with funding available from the Water Capital Fund.

FUNDING DETAIL:

Fund: **Water 2024 CIP (Rv Bds) (Fund 4491)**
Department: Water (45)
Organization: Grants & Capital Projects Funds (89)
Project: Citywide Large-Size Water Line Cathodic Protection System IDIQ (Project No. 23064)
Account: Construction (550910)
Activity: 23064
Amount: \$2,500,000.00

RECOMMENDATION:

Staff recommends awarding the construction contract for the Citywide Large-Size Water Line Cathodic Protection System (IDIQ) Re-Bid project to Rangeline Utility Services, LLC dba RUTS Construction, LLC, in the amount of \$2,500,000.00. The construction duration is planned for 12 months from issuance of the Notice to Proceed to begin construction in April 2025 with completion in April 2026.

LIST OF SUPPORTING DOCUMENTS:

Location and Vicinity Map
Bid Tab
CIP Page
PowerPoint Presentation