



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 26, 2015
Action Item for the City Council Meeting of June 9, 2015

DATE: May 6, 2015

TO: Ronald L. Olson, City Manager

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Engineering Construction Contract
Padre Island Water Line and Gas Line Extension

CAPTION:

Motion authorizing the City Manager or designee to execute a construction contract with Clark Pipeline Services, in the amount of \$2,381,598.50 for the Padre Island Water Line and Gas Line Extension.

PURPOSE:

The purpose of this agenda item is to obtain authority to execute a construction contract for the Padre Island Water Line and Gas Line Extension.

BACKGROUND AND FINDINGS:

This project provides for construction to extend the critical water and gas pipelines along with a MIS conduit from the JFK Causeway Landing to approximately Aquarius Drive. The water line is an 18-inch diameter PVC transmission main that is critical to extend the pipeline as part of providing the Padre Island Service area with a redundant water source. The natural gas line is an 8-inch diameter steel line that is critical to connect the City's main supply source to the island. City forces will connect the high pressure pipeline to the existing infrastructure

The previous phase was completed in December 2014 to extend these same pipelines across the causeway (approximately 3-miles) by open trench and boring from Laguna Shores Road to Padre Island providing redundant water feed to Padre Island area.

The City Council awarded an A/E contract to Urban Engineering to provide professional services to prepare plans and specifications for this project.

On April 13, 2015, the City received proposals from three (3) bidders and the respective bids are as follows:

| CONTRACTOR | BASE BID |
|-------------------------|-----------------|
| Clark Pipeline Services | \$2,426,082.50 |
| Bridges Specialties | \$2,451,842.95 |
| Huff & Mitchell, Inc. | \$3,333,434.70 |

Urban Engineering conducted a bid analysis of the proposals the City received. It was noted that Clark Pipeline Services had made an error in calculating their mobilization cost. The cost submitted was approximately 6.7% of the total bid which is higher than the 5% allowed by the Contract Documents. After discussing with Clark Pipelines' representative, Clark Pipeline Services agreed to the correction reducing their mobilization cost to \$119,100 to meet the requirement of 5% of the total construction cost. Thus, the bid of Clark Pipeline Services is revised to \$2,381,598.50.

The Engineer's Opinion of Probable Construction Cost (OPCC) is \$2,198,091.50. Clark Pipeline Services bid is 8.3% higher than the Engineer's OPCC. After reviewing the Statement of Experience submitted by Clark Pipeline Services, Urban Engineering recommends the City of Corpus Christi award the construction contract to Clark Pipeline Services as the lowest responsible bidder.

ALTERNATIVES:

1. Authorize the execution of the construction contract.
2. Do not authorize the execution of the construction contract. (Not Recommended)

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

Conforms to City Fiscal Policy

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Utilities Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

| Fiscal Year 2014-2015 | Project to Date Expenditures | Current Year | Future Years | TOTALS |
|--|---|---------------------|---------------------|----------------|
| Line Item Budget | | \$5,557,243.00 | | \$5,557,243.00 |
| Encumbered / Expended Amount | | | | \$368,700.00 |
| This Item | | \$2,381,598.50 | | \$2,381,598.50 |
| Future Anticipated Expenditures This Project | | \$640,062.00 | | \$640,062.00 |
| BALANCE | | \$2,535,582.00 | | \$2,535,582.00 |

Fund(s): Water CIP #2 and Gas CIP #3

Comments: This project requires approximately 120 calendar days with anticipated completion in October 2015. The construction contract will result in the expenditure of an amount not to exceed \$2,381,598.50.

RECOMMENDATION:

City Staff recommends approval of the construction contract with Clark Pipeline Services in the amount of \$2,381,598.50 for the Padre Island Water Line and Gas Line Extension project.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation