



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 8, 2015
Action Item for the City Council Meeting of December 15, 2015

DATE: October 29, 2015

TO: Ronald L. Olson, City Manager

THRU: Gustavo Gonzalez, P.E., Assistant City Manager, Public Works and Utilities
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Engineering Construction Contract
Greenwood Wastewater Treatment Plant
Flare Permit Metering

CAPTION:

Motion authorizing the City Manager or designee to execute a construction contract with Palacios Marine & Industrial Coating, Inc. of Palacios, Texas in the amount of \$87,788.60 for the Greenwood Wastewater Treatment Plant Flare Permit Metering for the total Base Bid.

PURPOSE:

The purpose of this agenda item is to obtain authority to execute a construction contract to install piping, electrical improvements and equipment required to maintain compliance with the Greenwood Wastewater Treatment Plant Flare Permit for the total Base Bid.

BACKGROUND AND FINDINGS:

The Texas Commission on Environmental Quality (TCEQ) requires the City to have an air permit to maintain and operate the digester flare that control gases at the Greenwood Wastewater Treatment Plant (WWTP). That air permit requires flow meters to collect and characterize air emissions at the digesters. Currently, there are no flow meters installed in the pipe from the digester to the flare at the Greenwood WWTP.

This construction project provides for the required improvements that include installation of two access vaults, tapping saddles, in-line style flow meter, underground conduit, flowmeter remote readouts, and sampling taps.

On August 5, 2015, the City received a proposal from one (1) bidder for \$157,779 that exceeded the Engineer's Opinion of Probable Construction. Therefore, the bid was rejected and project was re-advertised.

On October 14, 2015, the City received three (3) bids as follows:

CONTRACTOR	TOTAL BASE BID
Palacios Marine & Industrial Coating, Inc. Palacios, Texas	\$87,788.60
J.S. Haren Company Athens, Tennessee	\$117,700.00
Alman Construction Corpus Christi, Texas	\$160,401.73

Naismith Engineering, the Consultant Engineer, conducted a bid analysis of the three (3) proposals submitted to the City. After reviewing the Statement of Experience submitted by Palacios Marine & Industrial Coating, Inc., Naismith Engineering recommends award of the construction contract to Palacios Marine & Industrial Coating, Inc. 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:

The Engineer's Opinion of Probable Construction Cost (OPCC) is \$75,159. The bid of Palacios Marine & Industrial Coating, Inc. is greater than the Engineer's OPCC; however, project funds are available to allow for the construction of the Base Bid.

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 2015-2016	Project to Date Expenditures	Current Year	Future Years	TOTALS
Line Item Budget	\$63,700.00	\$105,000.00		\$168,700.00
Encumbered / Expended Amount	\$63,700.00			\$63,700.00
This Item		\$87,788.60		\$87,788.60
Future Anticipated Expenditures This Project		\$13,606.40		\$13,606.40
BALANCE	\$0.00	\$3,605.00		\$3,605.00

Fund(s): Wastewater CIP #14 and Wastewater Operating

Comments: This project requires approximately 120 calendar days with anticipated completion in April 2016. The construction contract will result in the expenditure of an amount not to exceed \$87,788.60.

RECOMMENDATION:

City Staff recommends approval of the construction contract with Palacios Marine & Industrial Coating, Inc. of Palacios, Texas in the amount of \$87,788.60 for the Greenwood Wastewater Treatment Plant Flare Permit Metering for the total Base Bid.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation