



AGENDA MEMORANDUM

Action Item for the City Council Meeting of December 12, 2023

DATE: December 12, 2023

TO: Peter Zaroni, City Manager

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<u>Construction Contract Award</u> Ship Channel Waterline and Gas Line Crossing Rebid
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CAPTION:

Motion awarding a construction contract to Clark Pipeline Services, LLC., Corpus Christi, Texas, for the Ship Channel Waterline and Gas Line Crossing Rebid project implemented as a part of the Port of Corpus Christi Ship Channel widening and deepening, with Port of Corpus Christi reimbursing 50% of the project cost, located in Council District 1, in an amount of \$11,926,133.40, with FY 2024 funding available from the Water and Gas Capital Fund.

SUMMARY:

This motion is to award a construction contract for the Ship Channel Waterline and Gas Line Crossing Rebid project. The project will provide for the construction of a new 24-inch waterline and an 8-inch gas line crossing the Ship Channel at Tule Lake.

BACKGROUND AND FINDINGS:

On April 23, 2018 United States Army Corps of Engineers (USACE) notified the City to remove the existing twin 16-inch water mains crossing the ship channel by January 1, 2019. The reason for USACE's request was due to the twin 16-inch water mains conflicting with proposed improvements that the USACE and Port of Corpus Christi were making as part of their project to widen and deepen the ship channel. The City responded to the USACE directive on June 13, 2018, stating the deadline was unrealistic due to multiple reasons. The reasons for the deadline being unrealistic were the City needed to perform engineering for water quality for North Beach area, hydraulic modeling scenarios, determine feasibility of construction and cost estimates, determine solutions, brief City Council, and determine funding, design, and award construction.

In that same response, the City also requested an extension to the deadline from January 1, 2019 to June 1, 2020 in order to allow enough time to remove the twin 16-inch water mains. The extension was granted and the City worked with the Port of Corpus Christi to get the project completed before USACE started dredging.

The removal of the mains is being performed under a separate contract. The removal of the water mains was performed and completed (November 2023) by another contractor. Currently, the area along Joe Fulton is being served by an existing 16” water main that dead ends (the looped waterline was removed when the twin 16” waterlines were removed), and there is no gas service. The proposed construction contract award will allow for the installation of the new water main creating a looped water main with increased pressure for fire protection and extend gas to the service area. The installation will be at a different location than the existing mains that were removed.

City staff then prepared an Interlocal Cooperation Agreement (ILA) with the Port of Corpus Christi to address costs incurred with relocation of the water main that is creditable to the City per Federal law. The ILA was approved on August 29, 2023. The Port of Corpus Christi through the ILA will reimburse the City 50% of the actual costs of planning, engineering and design, project management, geotechnical, environmental, cultural and engineering studies, surveying, removing the two 16-inch waterlines, and installing the new 24-inch waterline. This number will amount to approximately \$7.1 million.

This project scope includes the installation of a new 24-inch waterline beneath the ship channel at Tule Lake. The scope also includes a new 8-inch gas line to be installed beneath the ship channel parallel to the new waterline. The 24-inch waterline is approximately 6,800 linear feet and requires a combination of construction techniques, including horizontal directional drilling, open trench, and auger bore. The 8-inch gas line is approximately 6,850 linear feet and requires a combination of horizontal directional drilling and open trench construction methods.

A new gas main is also included in this project in order to provide redundancy to gas customers north of the ship channel. By including the new gas main as part of this project, it will provide significant cost savings to the City by installing it along with the new 24-inch waterline.

This project was previously bid. All bids were rejected for errors in bidding documentation or not meeting minimum experience. As a result, the project was rebid.

PROJECT TIMELINE:

2020 - 2023	2023	2024 - 2025
February - January	February - December	January - March
Design	Bid/Rebid/Award	Construction

The project schedule reflects City Council award in December 2023. The construction duration is planned for 14 months from issuance of the Notice to Proceed to begin construction in January 2024 with completion in March 2025.

PROCUREMENT DETAIL:

The Contracts and Procurement Department issued a Request for Bids for the project on April 19, 2023. The City received bids from seven bidders. All seven bidders failed to demonstrate qualified project experience or failed to meet the minimum self-performance requirement. All bidders were determined to be non-responsive. Contracts and Procurement did reach out to the low bid contractor to provide similar experience, however, the contractor did not provide anything. The second low bidder did not provide correct document and experience, and the third low bidder did not provide experience. All contractors had either issues with providing the correct documentation or providing similar project experience. Therefore, the determination was made to rebid project.

The project was re-advertised for bid on September 25, 2023, and the bids were opened on October 25, 2023. The City received bids from three bidders, with the low bid submitted by Clark Pipeline Services, LLC. The City analyzed the bids in accordance with the contract documents and determined Clark Pipeline Services, LLC. to be the lowest responsive and responsible bidder.

A summary of the bids is provided below:

BID SUMMARY	
CONTRACTOR	BASE BID
Clark Pipeline Services, LLC	\$11,926,133.40
Miller Bros.	\$12,187,606.63
Resicom, Inc.	\$15,227,589.00
<i>Engineer's Opinion of Probable Construction Cost</i>	<i>\$12,986,000.00</i>

Clark Pipeline Services, LLC. has experience with horizontal directional drilling and potable water projects to include Water IDIQ (Small and Large Diameter) for \$5,100,000, Alameda Project for \$5,175,380.43, and Navigation Project for \$7,801,000. Furthermore, Clark Pipeline Services, LLC.'s subcontractor has the appropriate steel horizontal directional drilling experience needed to complete the work for this project to include large diameter waterline HDD for the City of Corpus Christi, Brazos Port Water Authority, and Port of Corpus Christi.

ALTERNATIVES:

The alternative is not to award the proposed construction contract to Clark Pipeline Services, LLC. However, this would delay the redundant waterline improvements and the addition of a new gas line.

FISCAL IMPACT:

The fiscal impact for the FY 2024 is an amount of \$11,926,133.40 with funding available from the Water and Gas Capital Fund. The Capital Improvement Program (CIP) shows 18156 Ship Channel Water Line Relocation has \$9,909,787 and Gas line addition has \$2,047,420 available for construction. There are no prior year construction expenditures on the project. This project

was initially planned to be awarded in August 2023/September 2023, but the bids were rejected as the bidders failed to demonstrate qualified project experience. The project was readvertised for bids on September 25, 2023. The shortfall in funding for the gas line relocation is funded from the project savings of Everhart (SPID to Alameda) \$86,295.87, Rodd Field (Yorktown to Adler) \$16,961.43, Frontier (McKenzie to Rockwood) \$164,605 and Hearn (Dead End to Callicotte) \$201,000.

FUNDING DETAIL:

Fund: **Water 4080 CIP (Fund 4080) – Port of CC ILA funding**
Department: Water (45)
Organization: Grants & Capital Projects Funds (89)
Project: Ship Channel Waterline and Gas Line (Project 18156A)
Account: Construction (550910)
Activity: 18156-A-4080-EXP
Amount: \$4,723,159.66

Fund: **Water 2023 CIP (Fund 4486)**
Department: Water (45)
Organization: Grants & Capital Projects Funds (89)
Project: Ship Channel Waterline and Gas Line (Project 18156A)
Account: Construction (550910)
Activity: 18156-A-4486-EXP
Amount: \$4,723,159.66

Fund: **Gas 2023 CIP (Fund 4562)**
Department: Gas (11)
Organization: Grants & Capital Projects Funds (89)
Project: Ship Channel Waterline and Gas Line (Project 18156A)
Account: Construction (550910)
Activity: 18156-A-4562-EXP
Amount: \$2,479,814.08

Overall Contract Total \$11,926,133.40

RECOMMENDATION:

Staff recommends awarding the construction contract for the Ship Channel Waterline and Gas Line Crossing Rebid project to Clark Pipeline Services, LLC., as presented.

LIST OF SUPPORTING DOCUMENTS:

Location and Vicinity Map
Bid Tab
CIP Page
PowerPoint Presentation