



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of March 19, 2024

**DATE:** March 19, 2024

**TO:** Peter Zaroni, City Manager

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<p align="center"><b><u>Construction Contract Award and Professional Services Contract Amendment</u></b> <b><u>ONSWTP Raw Water Influent and Chemical Facilities Improvements</u></b></p>
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**CAPTION:**

Motion authorizing a construction contract to Reytec Construction Resources, Inc., of Houston, Texas, for the construction of Raw Water Influent and Chemical Facilities Improvements at O.N. Stevens Water Treatment Plant (ONSWTP) in an amount of \$86,679,500.00 for Total Base Bid plus selected Alternates 1 and 2; professional services contract amendment No. 3 to Ardurra Group, Inc. of Corpus Christi to provide construction phase services in an amount of \$734,472.00 for a total contract value not to exceed \$1,924,384.00; and professional services contract amendment No. 7 to Freese and Nichols Inc. of Corpus Christi to provide construction phase services in an amount of \$987,466.00 for a total contract value not to exceed \$3,627,015.00, with FY 2024 funding from the Water CIP Fund.

**SUMMARY:**

This item authorizes a construction contract for new raw water infrastructure, raw water piping, chemical feed systems, and chemical storage facilities. In addition to the construction contract, two professional services contract amendments would be authorized to provide construction phase services in support of this project. This project will increase water treatment capacity and operational resiliency, by specifically improving hydraulic constraints, source water mixing, and chemical application.

**BACKGROUND AND FINDINGS:**

The O.N. Stevens WTP was originally constructed in 1954, with the most recent plant expansion constructed in 1981. The objective of this project is to alleviate hydraulic restrictions in the raw water processes as well as provide new infrastructure capable of adequate source water mixing, chemical application, operational flexibility, and the ability to further increase the water plant capacity. Completion of this project will increase the treatment capacity of the O.N. Stevens WTP to 115 MGD and will make it possible to achieve a future capacity of 160 MGD with the completion of the other projects identified in CCWs upgrade plan. The projects included in the upgrade plan are Sedimentation Basin Improvements (Project No. 18130), Flocculation Upgrades (Project No. 22407), Solids Handling (23059) which are detailed in the current Capital Improvement Plan.

The scope of this project includes the demolition of existing raw water infrastructure, construction of new raw water infrastructure including a metering structure, chemical feed and storage structures, raw water piping, splitter structure, and yard piping. Instrumentation and electrical improvements for the raw water infrastructure and chemical facilities are also a significant portion of the work. A plant process water booster pump station will also be provided for the effective feed of the chemical and process water. Chemical feed improvements will optimize the treatment process and improve mixing.

The piping improvements will consist of the installation of 2,700 linear feet of 54-inch, 350 linear feet of 72-inch, 160 linear feet of 84-inch, and 370 linear feet of 108-inch new site piping. The new infrastructure will consist specifically of raw water metering station, raw water junction, mix and splitter, and pump diffusion structures. The selected bid alternatives include upgrades to the East Chemical Facilities and the Inlet Channel and baffling improvements.

The project was originally bid in November 2021 but only one bid was received. The decision was made by Engineering, Finance & Procurement, and CCW to re-bid the project and make modifications to the original plan documents. These modifications included updating the design of the receiving unit to improve operational resiliency, modifying the originally proposed construction schedule, modifying the recycle wash water process, and other design modifications. The revised construction schedule for the project will ensure that the plant can continue to operate effectively during the project.

**PROJECT TIMELINE:**

2008- 2023	2023-2024	2024-2027
May - November	Nov - March	April - June
Design	Bid/Award	Construction

Project schedule reflects City Council award in March 2024 with anticipated completion in June 2027.

**COMPETITIVE SOLICITATION PROCESS**

The Contracts and Procurement Department issued the first Request for Bids (RFB 3857) on November 10, 2021, and received a single bid above the Engineer’s OPCC. A second Request for Bids (RFB 4681) was issued on November 29, 2023.

The City received a proposal from one (1) bidder as follows:

Bid Summary	
Contractor	Base Bid including Alt 1 and Alt 2
Reytec Construction Resources, Inc.	\$86,679,500.00
<b><i>Engineer's Opinion of Probable Construction Cost</i></b>	<b>\$75,000,000.00</b>

Reytec Construction Resources, Inc., has successfully completed numerous City projects including Six Points Intersection, Everhart Road – Holly Road to SPID, and Staples Street – Kostoryz Road to Brawner Parkway all featuring large diameter replacement.

**ALTERNATIVES:**

City Council could choose not to award the construction contract to the only bidder, Reytec Construction Resources, Inc. Re-bidding the project would almost certainly result in increased costs. This would also delay needed improvements and hinder the operational resiliency at the ONSWTP.

**FISCAL IMPACT:**

The fiscal impact in FY 2024 is an amount of \$25,400,000 with funding available from the Water Capital Fund. The remaining funds will be incurred in FY 2025 and FY 2026 in an amount of \$63,001,438. Budgetary adjustments will be made in FY 2025 and FY 2026 to reflect the new contract costs.

**FUNDING DETAIL:**

Fund: Water 2024 CIP (Fund 4487)  
 Department: Water (45)  
 Organization: Grants & Capital Projects Funds (89)  
 Project: ONSWTP Raw Water Influent and Chemical Facilities Improvement  
 (Project No. E17047)  
 Account: Outside Consultants (550910)  
 Activity: E17047014487EXP  
 Amount: \$23,678,062

Fund: Water 2024 CIP (Fund 4487)  
 Department: Water (45)  
 Organization: Grants & Capital Projects Funds (89)  
 Project: ONSWTP Raw Water Influent and Chemical Facilities Improvement  
 (Project No. E17047)  
 Account: Outside Consultants (550950)  
 Activity: E17047014487EXP  
 Amount: \$1,721,938

Year 1 (FY 2024): \$25,400,000

Year 2 (FY 2025): \$36,279,500

Year 3 (FY 2026): \$26,721,938

**Total:                   \$88,401,438.00**

**RECOMMENDATION:**

Staff recommends awarding the construction contract to Reytec Construction Resources, Inc., of Houston, Texas for the ONSWTP Raw Water Influent and Chemical Feed Improvements project in the amount of \$86,679,500.00 for Total Base Bid plus selected Alternates 1 and 2, and authorize a professional services contract amendment No. 3 to Ardurra Group, Inc., of Corpus Christi, Texas, to provide construction phase services in an amount of \$734,472.00 for a total contract value not to exceed \$1,924,384.00, and a professional services contract amendment No. 7 to Freese and Nichols Inc., of Corpus Christi, Texas, to provide construction phase services in an amount of \$987,466.00 for a total contract value not to exceed \$3,627,015.00. The construction duration is planned for 38 months from issuance of the Notice to Proceed to begin construction in April 2024.

**LIST OF SUPPORTING DOCUMENTS:**

Bid tabs

CIP Page

Location and Vicinity Maps

Presentation