



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of October 29, 2019

**DATE:** October 4, 2019

**TO:** Peter Zaroni, City Manager

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**Construction Contract Award**  
**Citywide Water Distribution System**  
**Indefinite Delivery Indefinite Quantity Program**

**CAPTION:**

Motion awarding a contract to CPC Interests, LLC d/b/a Clark Pipeline Services, LLP, for construction improvements under the Citywide Water Distribution System Indefinite Delivery/Indefinite Quantity (IDIQ) Program, in the amount up to \$5,000,000 plus two (2) optional administrative renewals for a total contract price up to \$15,000,000 for Citywide improvements, and is effective upon issuance of notice to proceed, with funding available from the Water Capital Improvement Program.

**SUMMARY:**

This motion approves a waterline IDIQ construction contract to implement strategic lifecycle waterline improvements to properly sustain water services and water quality City-wide for waterlines ranging from 4-inch to 24-inch diameter. IDIQ contracts are practical for repetitive type work such as pipeline replacement, and the contract line items have pre-established bid prices, which allows the contractor to quickly mobilize when needed after the scope of work is agreed upon.

**BACKGROUND AND FINDINGS:**

This project is part of the strategic lifecycle program to address aging infrastructure of the water distribution system (1,368 miles). The program is flexible and provides a systematic approach to

replace and extend the life of waterlines while enhancing water quality. Additional benefits include increased distribution reliability with reduced service outages and reduced operational costs. The implementation of waterline lifecycle replacement program was developed with a combination of in-house crews and contractor support with two IDIQ projects; one for large diameter lines up to 24-inches, and one for small diameter lines from 4-inches to 8-inches that make up the majority of the City’s waterlines. On August 20, 2019, City Council approved the small diameter IDIQ construction contract for 4-inch to 8-inch diameter pipelines.

The overall program identifies, prioritizes, and implements specific capital improvement projects to extend the service life with improved capacity and water quality, and to reduce long-term maintenance costs. The IDIQ provides for real time engineering solutions and early contractor involvement to minimize cost and change orders. Prior to issuing the Delivery Order (DO), a site visit is conducted to ensure that DO is complete and describes the best engineering solution. Contractor’s bid prices are then used to price the scope of work described in the DO.

This item provides construction improvements of pipelines ranging from 4-inches up to 24-inches by open trenching, pipe bursting, horizontal directional drilling, and jack and bore, along with new fire hydrants, valves, fittings, etc. and surface restoration of sidewalks, pavement, and landscaping to complete the projects.

Work will be executed with multiple IDIQ delivery orders. The IDIQ construction was developed as a multi-year contract with a one-year base and two optional extensions to be administratively authorized.

**PROJECT TIMELINE:**



Projected Schedule reflects City Council award in October 2019 with anticipated completion in November 2020 for the base year contract. There are two one-year extensions based on satisfactory performance and available funds.

**COMPETITIVE SOLICITATION PROCESS:**

On September 11, 2019 the City received proposals from three (3) bidders. A summary of bids is provided below.

| <b>BID SUMMARY</b>   |                              |
|--|------------------------------|
| <b>CONTRACTOR</b>  | <b>BASE BID</b>              |
| <b>CPC Interests, LLC dba Clark Pipeline Services, LLP<br/>Corpus Christi, Texas</b> | <b>\$4,492,350.00</b>        |
| Bridges Specialties, Inc.<br>Robstown, Texas   | \$4,598,910.00               |
| National Power Rodding<br>Austin, Texas  | \$6,015,150.00               |
| <b><i>Engineer’s Opinion of Probable Cost</i></b>                                    | <b><i>\$5,000,000.00</i></b> |

The City analyzed all three proposals submitted in accordance with contract documents and determined the lowest responsive bidder was Clark Pipeline Services, LLP.

**ALTERNATIVES:**

The recommended alternative is to award the construction contract to low bidder, Clark Pipeline Services. Not awarding the contract could delay response times on critical water line renewals.

**FINANCIAL IMPACT:**

This contract to CPC Interests, LLC d/b/a Clark Pipeline Services, LLP, for construction improvements under the Citywide Water Distribution System Indefinite Delivery/Indefinite Quantity (IDIQ) Program is in the amount up to \$5,000,000 for the base year plus two (2) optional one-year administrative renewals for a total contract price up to \$15,000,000 with funding available from the Water Capital Improvement Program. This waterline IDIQ construction contract will be used to implement strategic lifecycle waterline improvements to properly sustain water services and water quality throughout the City for waterlines ranging from 4-inch to 24-inch diameter. IDIQ contracts are practical for repetitive type work such as pipeline replacement, and the contract line items were already pre-negotiated, which allows the contractor to quickly mobilize when needed after the scope of work is agreed upon.

**Funding Detail:**

Fund: **Water Capital Reserve Fund 4480**  
Project No.: Citywide Water Distribution System IDIQ Program Year 1 #19037A  
Account: Construction 550910  
Activity: 19037-A-4480-EXP

**RECOMMENDATION:**

Staff and Urban Engineering recommend awarding the construction contract for the Citywide Water Distribution System Indefinite Delivery/Indefinite Quantity (IDIQ) Program (Year 1) to Clark Pipeline Services, in the amount up to \$5,000,000. Construction is anticipated to start in November 2019 with completion of Year 1 of 3 in October 2020.

**LIST OF SUPPORTING DOCUMENTS:**

Location Map  
Bid Tabs  
Letter of Recommendation