



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 15, 2015
Action Item for the City Council Meeting of January 12, 2016

DATE: November 2, 2015

TO: Ronald L. Olson, City Manager

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Engineering Construction Contract
City-Wide Collection System Pipebursting
Indefinite Delivery/Indefinite Quantity (IDIQ)

CAPTION:

Motion authorizing the City Manager or designee to execute a construction contract with PM Construction & Rehab, LLC of Pasadena, Texas in the amount of \$3,750,000 for the City-Wide Collection System Pipebursting Indefinite Delivery/Indefinite Quantity for the total Base Bid with the option to extend the contract up to four (4) possible one-year renewals.

PURPOSE:

The purpose of this agenda item is to obtain authority to execute a construction contract for the City-Wide Collection System Pipebursting Indefinite Delivery/Indefinite Quantity for the total Base Bid.

BACKGROUND AND FINDINGS:

This is part of the City's ongoing program to re-capitalize the aging sanitary sewer collection system and to eliminate sanitary sewer overflows and infiltration.

This project will replace existing sanitary sewer lines 24-inch and under throughout the City by pipe bursting under a new multi-year indefinite delivery/indefinite quantity (ID/IQ) construction contract. This contract complements the City's ongoing City Wide Collection System Replacement and Rehabilitation ID/IQ program. This separate pipebursting contract allows for the most cost effective unit pricing.

Pipebursting is a trenchless method of replacing buried pipelines without the need for a traditional construction trench. This method is typically used when adequate working room is not available for conventional construction methods and the impacts to the surrounding area and overall cost warrant alternative construction methods.

On October 14, 2015, the City received proposals from three (3) bidders and the respective bids were as follows:

CONTRACTOR	TOTAL BASE BID
PM Construction & Rehab, LLC Pasadena, Texas	\$13,863,200.00
T Construction, LLC Houston, Texas	\$14,374,990.00
National Power Rodding Corp Austin, Texas	\$15,273,722.50
Note: The unit quantities outlined in the bid documents were used for evaluation purposes only to represent possible quantities over a 5 year contract duration.	

The ID/IQ contract documents were prepared as a one-year \$3,750,000 base construction contract with the option to extend up to four (4) possible one-year renewals. This equates to a total five (5)-year program of \$18,750,000 dependent on funding availability. Subsequent additional option years will be administratively authorized by the City Manager or designee based on available funding and satisfaction with the contractor.

Each contractor submitted unit prices for unique construction activities to use in delivery orders to allow the most cost effective repairs. The City's consultant, LNV, Inc. analyzed the three proposals. The lowest responsible bidder, based on the quantities provided for evaluation purposes, is PM Construction & Rehab, LLC of Pasadena, Texas (PM Construction). Based on a review of PM Construction's experience and resources from the information they submitted in accordance with the contract documents, PM Construction is qualified to provide the construction services for the program.

An award in the amount of \$3,750,000 is based on available project funds. All work will be executed with multiple indefinite quantity delivery orders in accordance with plans, specifications, and contract documents prepared by the Engineer.

ALTERNATIVES:

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

OTHER CONSIDERATIONS:

This project is part of the Sanitary Sewer Overflow (SSO) program.

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		\$4,400,000.00		\$4,400,000.00
Encumbered / Expended Amount		\$46,300.00		\$46,300.00
This Item		\$3,750,000.00		\$3,750,000.00
Future Anticipated Expenditures This Project		\$588,000.00		\$588,000.00
BALANCE		\$15,700.00		\$15,700.00

Fund(s): Wastewater CIP #2

Comments: This project requires approximately 365 calendar days with anticipated completion in December 2016. The construction contract will result in the expenditure of an amount not to exceed \$3,750,000 for this fiscal year.

RECOMMENDATION:

City Staff recommends approval of the construction contract with PM Construction & Rehab, LLC of Pasadena, Texas in the amount of \$3,750,000 for the City-Wide Collection System Pipebursting Indefinite Delivery/Indefinite Quantity for the total Base Bid.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation