



AGENDA MEMORANDUM

Action Item for the City Council Meeting of June 14, 2022

DATE: June 14, 2022

TO: Peter Zaroni, City Manager

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Construction Change Orders
Citywide Water Distribution System
Indefinite Delivery Indefinite Quantity Program and
Water Line Replacement Program

CAPTION:

Motion authorizing the approval of change orders with CPC Interests, LLC dba Clark Pipeline Services, LLP, Corpus Christi, Texas, for the Citywide Water Distribution System Indefinite Delivery Indefinite Quantity Program, in an amount of \$1,250,000 for a total amount not to exceed \$6,250,000.00, and the Water Line Replacement Program, in an amount of \$450,000 for a total amount not to exceed \$2,250,000 with FY 2022 funding available from the Water Capital Fund.

SUMMARY:

The change orders authorize additional funding to complete critical waterline infrastructure improvements as part of the Citywide Water Distribution System Indefinite Delivery Indefinite Quantity Program (IDIQ).

BACKGROUND AND FINDINGS:

The Citywide Water Distribution System Indefinite Delivery Indefinite Quantity (IDIQ) Program construction contract was awarded by City Council on October 29, 2019 for a total duration of three years with a 1-year base contract in the amount of \$5,000,000 plus two optional 1-year extensions for a total contract value of \$15,000,000.

The Water Line Replacement Program construction was awarded by City Council on August 20, 2019, for a total duration of three years with a 1-year base contract in the amount of \$1,800,000

plus two optional 1-year extensions with a total contract value of \$5,400,000. Both construction contracts were awarded to Clark Pipeline Services, LLP, Corpus Christi, Texas.

These contracts are part of the strategic lifecycle program flexibly address deficiencies and aging infrastructure in the water distribution system. The Water IDIQ Program is used to address larger line repairs and transmission mains while the Water Line Replacement Program is utilized for smaller line replacements. Both programs are utilized for both planned maintenance and emergency repairs. However, the funding for both contract are nearing capacity with \$2.8 million of \$15 million (or 18%) of funding remaining in the Water IDIQ Program and \$1.2 million of \$5.4 million (or 22%) of funding remaining in the Water Line Replacement Program.

The proposed change orders will increase the contract capacity for the current year Water Distribution IDIQ and Water Line Replacement Program. For the IDIQ, the proposed change order amount is \$1,250,000 (25% of the annual contract value) which increases the capacity of the current year from \$5,000,000 to \$6,250,000.00 and for the Water Line Replacement Program is \$450,000 (25% of the annual contract value) which increases the capacity of the current year from \$1,800,000.00 to \$2,250,000.00.

The additional contract capacity will allow staff to plan for some larger projects to include urgently needed water distribution and transmission improvements that cannot be postponed until new contracts are procured.

PROJECT TIMELINE:

Change Order No. 1 will authorize an additional 90 calendar days to each construction contract. The anticipated substantial completion date of the project is April 2023 for IDIQ program and February 2023 for the Water Line Replacement Program.

ALTERNATIVES:

The alternative is not to approve the Change Orders and defer repairs until new contracts for waterline improvements can be procured.

FISCAL IMPACT:

The fiscal impact for the FY 2022 is an amount of \$1,700,000 with funding available from the Water Capital Fund.

FUNDING DETAIL:

Fund: **Water Fund 2020 (Fund 4099)**
Mission Elem: Water Distribution (041)
Project: Citywide Water Distribution System IDIQ Program
(Project 19037A)
Account: Construction (550950)
Activity: 19037A-4099-EXP
Amount: \$1,250,000.00

Fund: **Water Capital Resv (Fund 4480)**
Mission Elem: Water Maintenance of Lines (041)
Project: Water Line Replacement IDIQ Program (Small Diameter) (Project No. 19010A)

Account: Construction (550910)
Activity: 19010-A-4480-EXP
Amount: \$450,000.00

RECOMMENDATION:

Staff recommends approval of this Change Order No. 1 in an amount of \$1,250,000 for IDIQ Program and \$450,000 for Water Line Replacement program, with Clark Pipeline Services, LLP, Corpus Christi, Texas, to increase contract capacity for additional waterline infrastructure improvements.

LIST OF SUPPORTING DOCUMENTS:

Location and Vicinity Map
IDIQ Change Order No. 1
Water Line Replacement Program Change Order No. 1
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