



AGENDA MEMORANDUM

Action Item for the City Council Meeting of March 29, 2022

DATE: March 29, 2022

TO: Peter Zaroni, City Manager

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<p style="text-align: center;"><u>Construction Contract Award</u> Whitecap Wastewater Treatment Plant Improvements</p>
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CAPTION:

Motion awarding a construction contract to CSA Construction, Inc., Houston, Texas, for Whitecap Wastewater Treatment Plant Improvements in an amount of \$12,284,000 for the Total Base Bid Plus Additive Alternate No. 1, located in Council District 4, with Wastewater Capital Fund. The total estimated construction budget available for this project for the FY 2022 and FY 2023 is \$9,570,000. Based on the bids received the construction cost of the project is \$12,284,000. The remaining shortfall of funds in an amount of \$2,714,000 will be allocated with the FY 2023 Wastewater Capital Fund and the budget for the project will be increased.

SUMMARY:

This motion approves a construction contract with CSA Construction, Inc., for the Whitecap Wastewater Treatment Plant Improvements project. The project provides for operational and maintenance-related improvements to the screening facility, influent lift station, aeration basin, secondary clarifiers, return activated and waste activated sludge (RAS/WAS) pumping systems, aerobic digester, and solids handling facilities.

BACKGROUND AND FINDINGS:

The Whitecap Wastewater Treatment Plant (WWTP) was originally constructed in 1974 as a traditional activated sludge wastewater treatment plant with a capacity of 0.5 million gallons per day (MGD) to serve the residents of North Padre Island. The plant was expanded in 1991 to increase capacity to 0.8 MGD. The last expansion occurred in 1997 and was permitted for an

average daily flow of 2.5 MGD and a 2-hour peak flow of 7.5 MGD. Much of the plant's equipment is obsolete and unreliable. Major systems upgrades are required to ensure compliance with the plant's Texas Commission on Environmental Quality (TCEQ) effluent quality standards.

The project scope includes the critical upgrades listed below:

- Installation of a new bar screen with a new washer compactor.
- Pumps and piping will be replaced at influent lift station.
- New grit removal system consisting of stacked tray vortex grit removal system with two centrifugal grit pumps and a concentrator/classifier/washer system.
- Air piping and diffusers will be replaced in the aeration basins. An additional blower will be installed in Blower Building #2.
- Interior mechanisms on both secondary clarifiers will be replaced and new scum pump will be installed to Secondary Clarifier #2.
- Four new RAS/WAS pumps will be installed in the secondary pump station along with the necessary piping modifications to allow one set of RAS/WAS pumps to perform both functions of pumping both RAS/WAS.
- Reconfiguration of existing aerobic digester structure to achieve greater thickening and better aeration.
- New volute screw press will be installed in the spare bay of the solids handling building, including polymer feed system.

PROJECT TIMELINE:

2020 - 2021		2022 - 2024		
September - December	J	F	M	April - December
Design	Bid/ Award		Construction	

Project schedule reflects City Council award in March 2022 with anticipated completion by December 2024.

COMPETITIVE SOLICITATION PROCESS:

The Contracts and Procurement Department issued a Request for Bids. On February 23, 2022, the city received bids from two bidders. The City analyzed the bids in accordance with the contract documents and determined CSA Construction, Inc., is the lowest responsive and responsible bidders. The bids received for some of the items were higher than the engineer's estimate due to the supply chain challenges, rising cost of raw materials and the labor cost. A summary of the bids is provided below.

BID SUMMARY			
CONTRACTOR	BASE BID	ADD. ALT. NO. 1	BASE BID PLUS ADD. ALT. NO. 1
CSA Construction, Inc.	\$12,090,000	\$194,000	\$12,284,000
Associated Construction Partners, Ltd	\$12,629,000	\$115,000	\$12,744,000
<i>Engineer's Opinion of Probable Construction Cost</i>	<i>\$10,745,361</i>	<i>\$150,000</i>	<i>\$10,895,361</i>

CSA Construction, Inc., has successfully completed numerous City utility projects since 2013 including Oso WRP Clarifier #5, Oso WRP Nutrient Removal Phase 1, Oso WRP Belt Press Facility, and Oso WRP Headworks and Lift Station.

ALTERNATIVES:

The alternative is to not award the construction contract to the low bidder, CSA Construction, Inc. This would delay improvements to Whitecap Wastewater Treatment Plant and create more costly maintenance in the future. Not awarding the construction contract would also cause TCEQ permit violations and fees.

FISCAL IMPACT:

The FY 2022 Capital Improvement Program (CIP) shows that the project has an estimated construction budget of \$1,500,000 available for FY 2022 and \$7,200,000 available for FY 2023. The project also has an estimated contingency of \$150,000 budgeted for FY 2022 and \$720,000 budgeted for FY 2023. The total estimated construction budget available for this project for the FY 2022 and FY 2023 is \$9,570,000. Based on the bids received the construction cost of the project is \$12,284,000. The remaining shortfall of funds in an amount of \$2,714,000 will be allocated with the FY 2023 Wastewater Capital Fund and the budget for the project will be increased.

The fiscal impact for FY 2022 is an amount of \$1,500,000 with funding available from the Wastewater Capital Fund.

FUNDING DETAIL:

Fund: WW 2023 CIP (Fund 4259)
Mission Elem: 042 (LINWW Collection)
Project: Whitecap Wastewater Treatment Plant Improvements (Project 18087)
Account: Construction (550910)
Activity: 18087-A-4259-EXP

Amount: \$12,284,000

Year 1 (FY2022): \$ 1,500,000

Year 2 (FY2023): \$10,784,000

Total: \$12,284,000

RECOMMENDATION:

Staff recommends awarding the construction contract for the Whitecap Wastewater Treatment Plant Improvements to CSA Construction, Inc., in the amount of \$12,284,000. The Construction duration is planned for 18 months from issuance of the Notice to Proceed to begin construction in April 2022.

LIST OF SUPPORTING DOCUMENTS:

Location and Vicinity Map

Bid Tab

CIP Page

Presentation