



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 23, 2025

DATE: September 23, 2025

TO: Peter Zaroni, City Manager

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<p style="text-align: center;"><u>Construction Contract Award</u> London Area Wastewater Collection System Improvements</p>

CAPTION:

Motion awarding a construction contract to M5 Utilities, LLC, of Boerne, TX for the London Area Wastewater Collection System Improvements project in an amount up to \$9,673,073.25 for the Total Base Bid plus Additive Alternate No. 1, located in Council District 3, 5, and outside City limits, with FY 2025 funding available from the Wastewater Capital Fund.

SUMMARY:

This motion awards a construction contract to M5 Utilities, LLC for the London Area Wastewater Collection System Improvements project. The project will construct a new lift station, force main, and gravity lines to provide the wastewater collection system infrastructure needed in the London Area.

BACKGROUND AND FINDINGS:

The London Area is primarily located outside of the City limits and South of the Oso Creek in council district 3 & 5. The area extends South to County Road 18 and West to County Road 51. The London Area is mostly undeveloped with some residential subdivisions. The London Area is rapidly developing and is anticipated to grow substantially in the next 10 years.

The London Area does not have public wastewater infrastructure, so the wastewater from households is treated by privately-owned septic systems. The septic systems limit the growth in the area and will create public health impacts and environmental issues in the long term.

The London Area Wastewater Collection System Improvements will serve the projected development in the London Area. The wastewater infrastructure improvements were designed and sized to accommodate phased growth and development around the area as the population increases. The Wastewater Master Plan and additional information from ongoing developments were incorporated into the design.

The project includes construction of a new lift station, biofilter odor control system, standby generator, flat work, and security fence. The service area for the proposed lift station is bound by SH 286 (Chapman Ranch Rd) on the west, FM 2444 (Staples St) on the south, and Oso Creek on the north and east. The project also includes construction of approximately 15,700 linear feet of 10-inch force main, 2,800 linear feet of 24-inch gravity wastewater line, 3,130 linear feet of 30-inch gravity wastewater line, and 3,030 linear feet of 12-inch waterline. The waterline is necessary to provide water service to serve the lift station and odor control system. The gravity wastewater system will provide connections for future developments and improvements. Air release valve manhole venting and odor control will be installed in areas that are sensitive to odors such as residential and commercial sites. The new infrastructure will tie into the existing infrastructure that ultimately conveys wastewater flow to the Greenwood Wastewater Treatment Plant (WWTP) headworks.

The additive alternate includes the construction of approximately 1,560 linear feet of redundant 16-inch force main, parallel to the existing 16-inch force main that runs from the existing London Lift Station to the Greenwood WWTP, to provide emergency backup service in the event of failure in the existing 16- inch force main. This work will alleviate concerns about the existing 16" force main being a single point of failure for two wastewater service basins.

PROJECT TIMELINE:

2022 - 2025	2025	2025 - 2027
October - March	April - September	October - May
Design	Bid/Award	Construction

The project schedule reflects City Council award in September 2025 with anticipated

construction completion by May 2027.

COMPETITIVE SOLICITATION PROCESS

On April 7, 2025, the Contracts and Procurement Department issued a Request for Bids (RFB #6484) for the London Area Wastewater Collection System Improvements project. The solicitation included a Base Bid to construct new wastewater collection system infrastructure, and an Additive Alternate to construct a redundant force main for emergency backup service.

On June 11, 2025, the City received twelve bids. The lowest bid received was within the acceptable range of the Engineer's Opinion of Probable Construction Cost. An admin hearing was held July 10th, 2025 to further review background and history. The meeting concluded and the City determined that M5 Utilities, LLC was the lowest responsive and responsible bidder.

A summary of the bids is provided below:

BID SUMMARY			
CONTRACTOR	BASE BID	ADD. ALT. NO. 1	BASE BID PLUS ADD. ALT. NO. 1
M5 Utilities, LLC Boerne, TX	\$8,678,043.94	\$995,029.31	\$9,673,073.25
Gerke Excavating, Inc. Tomah, WI	\$8,760,774.40	\$994,020.90	\$9,754,795.30
Bridges Specialties, Inc. Robstown, TX	\$9,929,292.00	\$1,205,357.50	\$11,134,649.50
Max Underground Construction, LLC Corpus Christi, TX	\$10,029,389.87	\$923,381.26	\$10,952,771.13
Guerra Underground, LLC- Austin, TX Bid Expired	\$10,187,497.95	\$1,095,674.20	\$11,283,172.15
Mor-Will, LLC Mission, TX	\$10,222,617.28	\$1,005,891.21	\$11,228,508.49
Cash Construction Company, Inc., a MasTec Company Pflugerville, TX	\$10,610,389.50	\$1,026,707.00	\$11,637,096.50
Reytec Construction Resources, Inc. Houston, TX	\$10,890,158.00	\$1,176,813.00	\$12,066,971.00
Jhabores Construction Company, Inc. Corpus Christi, TX Bid Expired	\$12,055,755.66	\$939,627.80	\$12,995,383.46

Spiess Construction Co., Inc. San Antonio, TX	\$13,041,181.00	\$1,170,019.00	\$14,211,200.00
Ella S.A. Contracting, L.P. San Antonio, TX Bid Expired	\$13,618,513.70	\$990,847.08	\$14,609,360.78
Keeley Construction Group, Inc. New Braunfels, TX	\$15,284,148.00	\$969,878.00	\$16,254,026.00
<i>Engineer's Opinion of Probable Construction Cost</i>	<i>\$11,345,290.90</i>	<i>\$976,841.55</i>	<i>\$12,322,132.45</i>

M5 Utilities, LLC has successfully completed various projects with comparable scopes and projects currently in construction, including:

- Sapphire Grove Lift Station and Force Main (San Antonio, TX) – \$1.1M Start Date: 6/3/2023 – Completion Date: 8/21/2024
- Stone Garden Lift Station Force Main (Bexar County, TX) – \$3.5M. Start Date: 11/1/2022 – Completion: 09/01/2023
- New Sulphur Springs Lift Station and Force Main (San Antonio, TX) – \$8.9M. Start Date: 3/23/2023 – Ongoing
- Northlake Lift station & Force Main (North Lake, TX) – \$5.1M. Start Date: 5/9/2025 – Ongoing

M5 plans to use its in-house crews for this project, leveraging the multiple teams that are already working nearby. The company maintains a comprehensive quality control program, with oversight from the Chief Operating Officer, General Superintendent, Assistant Superintendent, Project Manager, and Safety Manager. Daily activities are reviewed and documented using the Plan Grid program, which includes taking pictures to create as-built records of the work.

ALTERNATIVES:

City Council could choose not to award the construction contract to the low bidder, M5 Utilities, LLC, which would delay the necessary wastewater infrastructure improvements in the London Area and subsequently prevent planned development in the area.

FISCAL IMPACT:

The fiscal impact in FY 2025 is an amount of \$9,673,073.25 for construction with funding available from the Wastewater Capital Fund. The total funds available for the project is \$16,481,505 and any projects savings will be allocated to the fund reserve upon warranty expiration & project closeout.

FUNDING DETAIL:

Fund: Wastewater 2024 CIP (Fund 4261)
Department: Wastewater (46)
Organization: Grants & Capital Projects Funds (89)
Project: London Collection System Impro (Project
No.23036) Account: Construction (550910)
Activity: 23036-4261-EXP
Amount: \$9,673,073.25

RECOMMENDATION:

Staff recommend awarding the construction contract to M5 Utilities, LLC in the amount of \$9,673,073.25 for the London Area Wastewater Collection System Improvements project. The construction duration is planned for 19 months from issuance of the Notice to Proceed to begin construction in October 2025 with anticipated completion by May 2027.

LIST OF SUPPORTING DOCUMENTS:

Location and Vicinity
Map Bid Tab
CIP
Page
Presenta
tion