



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of April 12, 2016  
Action Item for the City Council Meeting of April 19, 2016

**DATE:** March 22, 2016

**TO:** Ronald L. Olson, City Manager

**THRU:** Mark Van Vleck, P.E., Assistant City Manager  
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### **Engineering Construction Contract**

Citywide Collection System  
Pipebursting Indefinite Delivery / Indefinite Quantity Part B

### **CAPTION:**

Motion authorizing the City Manager or designee to execute a multi-year construction IDIQ contract with PM Construction & Rehab, LLC of Pasadena, Texas in the amount of \$1,875,000 for the Citywide Collection System Pipebursting Project. Contract renewals for four (4) optional future years will be administratively approved.

### **PURPOSE:**

The purpose of this agenda item is to obtain authority to execute a multi-year IDIQ construction contract for the Citywide Collection System Pipebursting Project- Part B, 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.

### **CIP Description:**

This project will replace existing sanitary sewer lines 24-inch and under throughout the City by pipe bursting under a multi-year indefinite delivery/indefinite quantity (ID/IQ) construction contract. This contract complements both the City's ongoing City Wide Collection System Replacement and Rehabilitation ID/IQ program and the City's ongoing City Wide Collection System Pipebursting ID/IQ program. This additional pipebursting contract provides additional resources and flexibility to improve the implementation of the program.

Pipe bursting is a well-established trenchless method that is widely used for the replacement of deteriorated pipes with a new pipe of the same or larger diameter. Pipe bursting is typically cost-effective if the existing pipe is deep, below the ground water table (GWT), and the existing pipe is undersized. Pipe bursting is also an effective alternative to reduce disturbance to streets, businesses and residents verses open cut technique.

On March 2, 2016, the City received proposals from six (6) bidders and the respective bids were as follows:

<b>CONTRACTOR</b>	<b>TOTAL BASE BID</b>
PM Construction & Rehab, LLC Pasadena, Texas	\$7,419,979.75
Texas Pride Utilities, LLC Houston, Texas	\$8,178,600.00
National Power Rodding Corp. Austin, Texas	\$8,456,919.85
T Construction, LLC Houston, Texas	\$8,778,563.00
Horseshoe Construction, Inc. La Porte, Texas	\$10,673,675.00
Pronto Sandblasting, Coating & Oil Field Services Company, Inc. San Antonio, Texas	\$18,089,750.00

The proposed construction contract is a multiple year IDIQ with a base year plus 4 optional years. 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 base year award will be \$1,875,000, which represents approximately 1 years' worth of work. Additional years will be issued at the same award value based on available funding. Subsequent additional option years will be administratively authorized by the City Manager or designee based on available funding.

Each contractor submitted unit prices for defined construction activities to use in subsequent delivery orders to determine 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. Based on a review of PM Construction and Rehab's experience and resources from the information they submitted in accordance with the contract documents, PM Construction & Rehab, LLC is qualified to provide the construction services for the program.

An award in the amount of \$1,875,000 is based on available project funds. All work will be executed by individual 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		\$2,200,000.00		\$2,200,000.00
Encumbered / Expended Amount		\$7,680.00		\$7,680.00
<b>This Item</b>		<b>\$1,875,000.00</b>		<b>\$1,875,000.00</b>
Future Anticipated Expenditures This Project		\$299,500.00		\$299,500.00
BALANCE		\$17,820.00		\$17,820.00

Fund(s): Wastewater CIP #2

Comments: This is a multi-year IDIQ with individual delivery orders that will not exceed \$1,875,000.

**RECOMMENDATION:**

City Staff and LNV Inc. recommends approval of a construction contract with PM Construction & Rehab, LLC of Pasadena, Texas in the amount of \$1,875,000 for the Citywide Collection System Pipebursting IDIQ Part B for the total Base Bid. Contract renewals for future years will be administratively approved.

**LIST OF SUPPORTING DOCUMENTS:**

Project Budget  
Location Map  
Presentation  
Form 1295