



AGENDA MEMORANDUM

Future Item for the City Council Meeting of March 21, 2017
Action Item for the City Council Meeting of March 28, 2017

DATE: March 2, 2017

TO: Margie C. Rose, City Manager

THRU: Mark Van Vleck, Assistant City Manager
markvv@cctexas.com
(361) 826-3082

Valerie H. Gray, P.E., Executive Director of Public Works
valerieg@cctexas.com
(361) 826-3729

FROM: Dan Grimsbo, Interim Executive Director of Utilities
dang@cctexas.com
(361) 826-1718

Jeff H. Edmonds, P.E., Director of Engineering Services
jeffreye@cctexas.com
(361) 826-3851

Construction Contract

City-Wide Water Distribution System Repair and Replacement
Indefinite Delivery/Indefinite Quantity Program
(Capital Improvement Program)

CAPTION:

Motion authorizing the City Manager, or designee, to execute a construction contract with CPC Interests, LLC dba Clark Pipeline Services, LLP of Corpus Christi, Texas in the amount of \$5,100,000 for the City-Wide Water Distribution System Repair and Replacement Indefinite Delivery/Indefinite Quantity (IDIQ) Program for one (1) year base contract with two (2) optional one (1) year extensions to be approved administratively subject to availability of funding and satisfactory contractor performance.

PURPOSE:

The purpose of this agenda item is to obtain authority to execute a construction contract for one base year with administrative approval of the two following years subject to conditions of funding and performance.

BACKGROUND AND FINDINGS:

CIP Description: Programmed Water Line Service Life Extension

“This project provides for a strategic lifecycle program replacement and extension of the City’s water distribution system (1,368 miles). The program is flexible and provides a systemic approach to extend the service life of the system while enhancing monitoring capability and water quality. Additional benefits will include increased distribution reliability with reduced service outages, and reduced operational costs. A major priority of the lifecycle improvements will maximize CIP investments increasing capacity of the system and deferring unnecessary major upgrades to pump stations and plants. This program is also in response to the City’s Street Preventative Maintenance Program (SPMP) and the construction is in a manner of IDIQ delivery orders. Some work will be completed using in-house forces to save on costs where applicable.”

Project Scope:

To implement life cycle improvements for the aging water distribution system, the City developed the Repair and Replacement City-Wide Distribution IDIQ project. The IDIQ provides for contractor bid unit pricing for a comprehensive list of activities to develop the most cost effective solution to a variety of pipe sizes, material types and conditions. The IDIQ construction was developed as a multi-year contract with a one-year base and two optional extensions to be administratively authorized.

The IDIQ program is implemented through numerous Delivery Orders (DO) for specific site(s) and scope of work. The work consists of a full spectrum of repair and replacement methodologies including open trenching, pipe bursting, horizontal direct drilling with installation of new pipes, new valves, fittings, fire hydrants, etc. and surface restoration of sidewalks, roadways, landscaping to complete the projects.

On February 15, 2017, the City received proposals from four (4) bidders and the respective bids were as follows:

CONTRACTOR	TOTAL BASE BID
CPC Interests, LLC dba Clark Pipeline Services, LLP Corpus Christi, Texas	4,876,501.78
Bridges Specialties, Inc. (NON-RESPONSIVE) Robstown, Texas	4,934,121.30
National Power Rodding Corp. Austin, Texas	8,879,139.63
IPR South Central, LLC Pasadena, Texas	9,268,064.41
Engineer’s Opinion of Probable Construction Cost	5,100,000.00

City Staff deemed the bid received from Bridges Specialties, Inc. as non-responsive due to failure of the bidder to submit bid on the correct, required bid form for the project.

The City analyzed the four proposals and recommended the project be awarded to CPC Interests, LLC dba Clark Pipeline Services, LLP. Based on a review of Clark Pipeline Services’ experience and resources, Clark Pipeline Services, LLP is qualified to provide the construction services for the project.

Based on the City’s available funds, the total amount of this construction contract is \$5,100,000. The construction cost of each DO will be calculated through the contractor unit bid prices.

The construction contract is anticipated as a one (1) year base contract, with two (2) optional one (1) year extensions subject to availability of funding and satisfactory contractor performance. The optional contract extension(s) will be administratively authorized by the City Manager or designee based on available funding. The cost of the subsequent contracts is anticipated to be \$5.1M each and will be budgeted and paid for through future capital budgets. If all three contract years are authorized, the total cost of this contract is estimated at \$15.3M.

ALTERNATIVES:

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

OTHER CONSIDERATIONS:

Urban Engineering is the design engineer selected for this project through Request for Qualifications No. 2012-03 Bond Issue 2012 and CIP Projects.

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 2016-2017	Project to Date Expenditures	Current Year	Future Years	TOTALS
Line Item Budget (CIP)		7,450,000		7,450,000
Encumbered / Expended Amount		328,350		328,350
This Item (Base Year)		5,100,000		5,100,000
Future Anticipated Expenditures This Project		907,500		907,500
BALANCE		1,114,150		1,114,150

Fund(s): Water CIP #1

Comments: This project requires approximately 365 days for construction of Year 1 with anticipated completion in April 2018. The construction contract will result in the expenditure of an amount not to exceed \$5,100,000.

RECOMMENDATION:

City Staff recommends approval of a construction contract with CPC Interests, LLC dba Clark Pipeline Services, LLP of Corpus Christi, Texas in the amount of \$5,100,000 for the City-Wide

Water Distribution System Repair and Replacement IDIQ Program for one (1) year base contract with two (2) optional one (1) year extensions to be approved administratively subject to availability of funding and satisfactory contractor performance.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation
Form 1295
Letter of Recommendation