



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 19, 2017

Action Item for the City Council Meeting of January 9, 2018

DATE: December 7, 2017

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Construction Contract

Oso Water Reclamation Plant Headworks and Lift Station
(Capital Improvement Program)

CAPTION:

Ordinance rejecting the apparent low bid of COBRA/CYMI JV as non-responsive and authorizing the City Manager or designee to execute a construction contract with CSA Construction, Inc. of Houston, Texas as the lowest responsive, responsible bidder in the amount of \$22,865,540 for the Oso Water Reclamation Plant Headworks and Lift Station for the Total Base Bid plus Additive Alternate No. 1. (Capital Improvement Program (CIP))

PURPOSE:

The purpose of this agenda item is to obtain authority to declare the apparent low bidder as a non-responsive bidder and execute a construction contract to the lowest responsive bidder.

BACKGROUND AND FINDINGS:

This project is part of the City Utility Department wastewater Capital Improvement Plan to improve the reliability of the system, odor control and maintain regulatory compliancy.

CIP Description: Oso Water Reclamation Plant Headworks and Lift Station

The construction of the Oso Water Reclamation Plant Interim Ammonia Improvements Phase 1 has achieved the required interim modifications of the physical, chemical and biological treatment processes to the Oso Water Reclamation Plant. This project ensures continued compliance with the recent ammonia and nutrient removal permit criteria. The project consists of the construction of a new headworks, lift station, Electrical Control Room (ECR) building, odor control unit, and yard piping.

Project Scope:

The Oso Water Reclamation Plant was originally constructed in 1941 with the last major upgrades at the plant in 1982. To ensure continued Texas Commission on Environmental Quality (TCEQ) permit compliancy, major upgrades are required at the plant. This project addresses two critical facilities, Lift Station No. 1 and the Headworks Facility. Both are both beyond their design life and experiencing severe degradation. The two critical facilities significantly increase operational/maintenance cost and adversely impact overall plant performance. Continual maintenance and repairs are required with significant reduction to the efficiency and safety for maintenance personnel. This directly impacts reliability of the plant and ability to maintain TCEQ permit compliancy. The following provides more descriptions of the proposed facility conditions and proposed improvements:

Lift Station No. 1 cannot meet the flow requirements during wet weather events. Lift Station capacity is approximately 30 million gallons per day (MGD) and the pumps are obsolete. The failing pumps and minimal capacity requires three additional 10 MGD standby emergency diesel pumps to meet peak flows during wet weather events. The lift station is experiencing major structural deficiencies in the wet well. The new lift station capacity is 80 MGD with a dual 40 MGD configuration creating redundancy for improved efficiencies and maintenance, and includes new wet well with state of the art electrical and controls. The increased capacity and reliability will minimize sanitary sewer overflows in the Oso Basin collection system.

The Headworks Facility was constructed in 1954 and consists of two 50 MGD bar screens and an obsolete and non-functioning aerated grit removal system. The poor condition of the bar screens require routine shut downs for labor intensive manual cleaning. The existing two bar screens are also experiencing severe structural degradation that creates potential safety hazards at the plant. The new Headworks Facility includes four 25 MGD bar screens with smaller grid patterns (holes) to better remove debris from downstream treatment units along with a new, low maintenance vortex grit removal system. The new equipment and configuration improves operational capacity with more balanced flows that significantly reduces unplanned maintenance. The improvements also provide redundancy to allow better maintenance with reduced cost and improved safety. The work also includes a new odor control unit minimizing potential nuisance odors to the adjacent neighborhoods.

Other improvements include the removal of grit from existing clarifier influent channels which will improve the water quality and restore the hydraulic capacity for water treatment. Additional grit removal is proposed for the clarifier effluent channel and return troughs.

The construction contract was developed with a Base Bid and Additive Alternate No. 1 as follows:

Base Bid – Includes new 80 MGD Lift Station No. 1 facility with new pumps, wet well, electrical services and controls with the demo of the existing pumps, wet well and associated equipment. Replacement of the Headworks Facility (98 MGD) with new bar screens, grit removal system and odor control building. Additional work includes construction of a new electrical control room prefabricated building with new access driveways, miscellaneous yard piping and other associated site improvements.

Additive Alternative No. 1 – Includes removal and disposal of debris and grit in the east and west clarifier effluent channel and return troughs.

On August 16, 2017, the City received proposals from four (4) bidders, one of which was determined as non-responsive. The remaining three (3) bidders found to be responsive are presented below.

CONTRACTOR	BASE BID	ADD. ALT. NO. 1	BASE BID PLUS ADD. ALT. NO. 1
CSA Construction, Inc. Houston, Texas	22,325,000	540,540	22,865,540
Kiewit Infrastructure South Co. Fort Worth, Texas	24,222,130	480,870	24,703,000
Pepper Lawson Waterworks, LLC The Woodlands, Texas	24,999,180	521,820	25,521,000
Engineer's Opinion of Probable Construction Cost	26,776,000	750,000	27,526,000

The fourth bid was determined as non-responsive for failure to demonstrate adequate experience on completed projects. Bidders are required to submit their Statement of Experience (SOE) to demonstrate their experience and qualifications. Bidders must demonstrate successful completion of at least five similar projects with relevant complexity, magnitude and scope. After evaluating all SOEs and interviewing past project references submitted by COBRA/CYMI JV's, City Staff and the design engineer concluded the bid as non-responsive due to the inability to demonstrate satisfactory completion of at least five (5) similar projects. CSA Construction, Inc. meets the experience requirements and is considered a responsive bidder capable of completing the work required in this project.

ALTERNATIVES:

1. Authorize execution of construction contract and declaration of non-responsiveness of one bidder. (Recommended)
2. Do not authorize execution of construction contract and no declaration of non-responsiveness for one bidder. (Not Recommended)

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

Conforms to City Fiscal Policy.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Water Utilities Department

FINANCIAL IMPACT:☐ Operating☐ Revenue☒ Capital☐ Not applicable

Fiscal Year 2017-2018	Project to Date Expenditures	Current Year	Future Years	TOTALS
Line Item Budget (CIP)	10,247,900	10,000,000	18,000,000	38,247,900
Encumbered / Expended Amount	10,247,900			10,247,900
This Item		8,500,000	14,365,540	22,865,540
Future Anticipated Expenditures This Project		1,500,000	2,609,678	4,109,678
BALANCE	0	0	1,024,782	1,024,782

Fund(s): Wastewater CIP #20

Comments: This project requires approximately 730 days (2 years) for construction with anticipated completion by February 2020. The construction contract will result in the expenditure of an amount not to exceed \$22,865,540.

RECOMMENDATION:

City Staff recommends rejecting the apparent low bid of COBRA/CYMI JV as non-responsive and authorizing the City Manager or designee to execute a construction contract with CSA Construction, Inc. of Houston, Texas as the lowest responsive, responsible bidder in the amount of \$22,865,540 for the Oso Water Reclamation Plant Headworks and Lift Station for the Total Base Bid plus Additive Alternate No. 1.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Project Budget
Location Map
Presentation
Form 1295
Letter of Recommendation