



AGENDA MEMORANDUM

Action Item for the City Council Meeting of July 16, 2019

DATE: June 27, 2019

TO: Peter Zaroni, City Manager

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<p style="text-align: center;"><u>Construction Contract</u> Citywide Storm Water Improvements Indefinite Delivery/Indefinite Quantity (IDIQ) (Capital Improvement Program)</p>

CAPTION:

Motion awarding an Indefinite Delivery/Indefinite Quantity (IDIQ) contract to Max Underground Construction Company, LLC for repair and replacement of the stormwater drainage system up to the amount of \$1,500,000 for one year with two (2) one-year administrative renewals for a total contract price of \$4,500,000. Administrative approvals are subject to availability of funds and satisfactory contractor performance with current funding available from the Storm Water Capital Improvement program.

PURPOSE:

To approve the award of the Storm Water IDIQ construction contract to implement various storm water improvements citywide.

BACKGROUND AND FINDINGS:

This project provides for strategic repair and replacement of the City's aging storm water drainage system. The project was developed to supplement City crews and implement specific capital improvements to extend system service life, improve drainage, mitigate flooding and reduce long-term maintenance costs.

The project was developed as an IDIQ construction contract. The IDIQ contract method provides for multiple delivery orders (DO's) that are developed utilizing the contractor's unit bid prices. This allows more rapid turnaround on construction delivery. The IDIQ contract format also allows the

opportunity for early contractor involvement to better define scope which reduces the number of change orders.

The scope of work for the Storm Water IDIQ contract includes:

- Rehabilitation or replacement of pipes, box culverts, manholes, curb inlets, curb and gutter, valley gutters, roadside ditches, concrete flumes, headwalls, and wingwalls
- Miscellaneous pavement, curb and gutter, driveway, and sidewalk restoration
- Storm Water Pollution Prevention Plans (SWPPP)
- Temporary traffic control plans

The contract was developed as a one-year base period and two (2) one-year renewal options for a total of up to three years. Bidders were required to submit unit prices for a schedule of construction activities that were intended to be representative of the mix of work items that were likely to be needed for the life of the contract. All work will be executed through individual DO's in accordance with plans, specifications, and contract documents prepared by the design engineer and compensated using the contractor's unit bid prices.

The project was planned, programmed and advertised with a fixed price construction contract award up to the amount of \$1,500,000 annually. The contractor is not guaranteed a minimum or maximum amount. The contractor must successfully provide quality and timely construction as required by the DO's. Renewal years will be administratively authorized by the City Manager, or designee, subject to availability of funds and satisfactory performance.

On May 22, 2019, the City received proposals from three (3) bidders. A summary of bids is provided below.

BID SUMMARY	
CONTRACTOR	BASE BID
Max Underground Construction Company, LLC Corpus Christi, Texas	\$2,208,798.50
CPC Interests, LLC dba Clark Pipeline Services Corpus Christi, Texas	\$2,495,177.76
Bridges Specialties. Inc. Robstown, Texas	\$4,529,370.00
<i>Engineer's Opinion of Probable Cost</i>	<i>\$1,499,815.00</i>

The City analyzed all three proposals submitted in accordance with contract documents and determined Max Underground Construction Company, LLC was the lowest responsive and responsible bidder.

ALTERNATIVES:

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

OTHER CONSIDERATIONS:

City Council must approve annual Capital Improvement Program (CIP) budgets with the approved project and available funds to allow staff to authorize contract renewals and DO's.

CONFORMITY TO CITY POLICY:

Complies with statutory requirements for construction contract procurement. Conforms to FY 2019 CIP Budget.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Water Utilities Department

FINANCIAL IMPACT:

☐ Operating ☐ Revenue **X Capital** ☐ Not applicable

Fiscal Year 2018-2019	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget		2,051,200		
Encumbered / Expended Amount				
This item		1,500,000		
Future Anticipated Expenditures This Project		551,200		
BALANCE		0		

Fund(s): Storm Water 2013 Revenue Bond Fund 3497

COMMENTS:

Two (2) additional one-year administrative approvals in the amount of \$1,500,000 each will be administratively approved subject to satisfactory contractor performance and availability of funds through Council-approved future budgets.

RECOMMENDATION:

Staff recommends awarding the construction contract to Max Underground Construction Company, LLC in the amount of \$1,500,000 for the base year.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation
Letter of Recommendation