

## A G E N D A



## Recommendation for Council Action

Austin City Council		Item ID	61152	Agenda Number	53.
Meeting Date:	8/18/2016		Department:	Public Works	
Subject					
Authorize the negotiation and execution of an Advance Funding Agreement with the Texas Department of Transportation for the relocation of, and adjustments to, existing water utility infrastructure at Oltorf Street and Interstate Highway 35 to accommodate TxDOT's Interstate Highway 35 Mobility Improvements project, in an amount not to exceed \$1,434,460. (Districts 3 and 9)					
Amount and Source of Funding					
Funding is available in the Fiscal Year 2015-2016 Capital Budget of the Austin Water Department.					
Fiscal Note					
A fiscal note is attached.					
Purchasing Language:					
Prior Council Action:	May 19, 2016: Approved authorization to negotiate and execute of an Advance Funding Agreement (AFA) with Texas Department of Transportation (TxDOT) for relocation and adjustments of existing water lines and appurtenances in conflict with TxDOT IH 35 Mobility Roadway Improvements from North of Oltorf Street to South of Oltorf Street, in the total AFA amount not to exceed \$919,200.00 for betterment costs.				
For More Information:	Wale Odufuye, 512-974-7119; Aldo Ranzani, 512-972-1122; Lucy Bonee, 512-974-7967				
Council Committee, Boards and Commission Action:	May 11, 2016: Approved by Water and Wastewater Commission. To be reviewed by the Water and Wastewater Commission Board on August 10, 2016.				
MBE / WBE:					
Related Items:					
Additional Backup Information					

### Brief History of Project

This project is for relocation and adjustments of existing water and wastewater lines in conflict with Texas Department of Transportation highway improvements along Interstate Highway 35 (IH35) from north of Oltorf Street to south of Oltorf Street. The work consists of relocating approximately 3088 linear feet of existing water lines and appurtenances. This project is a federally funded project. Per approved Standard Utility Agreement and in accordance with the federally funded projects, TxDOT is responsible for providing 100% of the engineering and construction costs and, reimbursing the City for inspection and administrative cost of the projects, except betterments.

The project also provides an opportunity for Austin Water to upgrade its existing infrastructure to better serve the growing Austin Metropolitan area. The requested upgrades and additions are considered "betterments" and will be constructed by TxDOT as part of the project and funded by Austin Water. The betterment portion consists of construction of approximately 550 linear feet of new encased 24" water line by jacking and boring and construction of new appurtenances including gate valves, wet connections, and air release valves on the north and southbound frontage roads of the IH 35.

This Advanced Funding Agreement replaces the item approved by Council on May 19, 2016 (item #57314), as costs changed before that agreement could be signed. The original Advanced Funding Agreement authorized Austin Water to pay TxDOT an estimated amount of **\$766,000.00** for construction and a 20% contingency amount of **\$153,200.00** for betterment portions of the project designed by the City for total agreement amount not to exceed **\$919,200.00**.

### Reason for the Amendment

The engineer estimate prior to the TxDOT bid opening was **\$766,000.00** but the lowest contract bid price is at **\$1,281,257.90**. The difference between the engineer estimate and the contractor bid price is \$515,257.90. The major difference between the engineer estimate and the contractor price is in the unit price of the "Pipe Encasement (36") Steel Bore" item. While the average unit price used by the engineer was \$600/linear foot, the contract unit price is \$1,750/linear foot, accounting for \$479,550.00 price difference. Possible reasons for the disparity include, but not limited to, lack of consideration for the project aggressive construction schedule, the very deep bore holes within tight spaces, and working space within traffic travel lanes and the vertical shafts at the two ends of the encasement and carrier pipes.

The construction of the roadway improvement of IH 35 at Oltorf Street is scheduled to start within two months of the bid open date. The bid was opened in July 8, 2016. The water line relocations and construction of new 24" water line work is schedule to be done first as part of the roadway improvement construction.

The additional funds requested in this Request for Council Action will fund the entire project through construction completion.

This project is managed by Public Works Department.

This project is located within zip codes 78704 and 78745, within council districts 3 and 9.