



**Recommendation for
Water & Wastewater Commission**

Commission Meeting Date:	November 9, 2016
Council Meeting Date:	December 1, 2016
Department:	Capital Contracting Office
SUBJECT	
Authorize execution of Change Order No. 1 to the construction contract with PEABODY CONSTRUCTION, INC. for the Facilities and Force Main Services Indefinite Delivery/Indefinite Quantity-Rebid contract in the amount of \$1,252,665 for a total contract amount not to exceed \$15,580,202.	
AMOUNT AND SOURCE OF FUNDING	
Funding is available in the Fiscal Year 2016-2017 Capital Budget of Austin Water.	
Purchasing Language:	Lowest responsive bid of two bids received through a competitive Invitation for Bid solicitation.
Prior Council Action:	June 26, 2014 – Council approved an Indefinite Delivery/Indefinite Quantity Rebid contract with Peabody Construction, Inc.
For More Information:	Rolando Fernandez, 512-974-7749; Sarah Torchin, 512-974-7141; Darryl Haba, 512-974-7205; Chris Wolter, 512-972-0224; Denise Avery, 512-972-0104
Boards and Commission Action:	November 9, 2016- To be reviewed by the Water and Wastewater Commission.
MBE/WBE:	This contract was awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 13.75% MBE and 67.55% WBE subcontractor participation.

Indefinite Delivery/Indefinite Quantity contracts provide for an indefinite quantity of services for a fixed time, usually an initial term with extension options. They are used when the City cannot determine, above a specified maximum, the precise quantities of supplies or services that will be required during the contract period. The City issues work assignments in accordance with the contract for individual service requirements. The Indefinite Delivery/Indefinite Quantity contract method allows for the City to have flexibility to add projects as needs and priorities arise or change. As each project location is further defined, a specific work assignment is provided to the contractor who will complete the scope of work for the unit prices included in the contract.

Previous Council Action authorized the execution of the contract with an initial amount of \$4,544,818 with two contract extension options, the first extension amount of \$4,772,058, the second extension amount of \$5,010,661, for a total contract amount not to exceed \$14,327,537 over an estimated three years or until financial authorization is depleted.

The contract is currently in the last option term which expires in June 2017. Due to numerous flood events over the past two years, a significant amount of unplanned emergency work was performed and the total authorization was expended sooner than expected. Additional authority is being requested in order to continue performing needed work at Austin Water's treatment facilities and to provide contingency for responding to potential future emergencies. Another IDIQ contract for these services will be solicited in the near future.

AUTHORIZATION HISTORY

<u>AMOUNT</u>	<u>DATE – DESCRIPTION</u>
\$14,327,537	06/26/14 (Council) – Authorized an IDIQ construction contract with Peabody General Contractors, Inc. with an initial amount of \$4,544,818 with two contract extension options of \$4,772,058 for the 2 nd year and \$5,010,661 for the 3 rd year.
\$1,252,665	12/01/16 Proposed (Council) – Change Order No. 1 to increase the last term of the contract.
<u>\$15,580,202</u>	<i>Total Contract Authorization</i>

CONTRACT HISTORY

<u>AMOUNT</u>	<u>DATE – DESCRIPTION</u>
\$14,327,537	06/26/14 – Execution of contract for the initial term including extension #2 and extension #3
\$1,252,665	12/01/16 – Proposed (Council) – Change Order No. #1 to increase the last term of the contract.
<u>\$15,580,202</u>	<i>Total Contract Expenditures</i>

M/WBE Summary

Participation goals stated in the original approved compliance plan for the agreement were 2.91% African American; 5.14% Hispanic; 0.76% Native/Asian; and 2.56% WBE.

The initial Contract execution included a total of 19 subcontractors of which nine were Certified M/WBE subcontractors. Since the initial execution of the Contract, we have added a total of 28 additional subcontractors to this Contract of which seven were Certified M/WBE firms. For all additions, we have gone through the Small and Minority Business Resources Department Request for Change process to ensure all City Certified subcontractors were provided the opportunity to supply a quote to the Prime or have the opportunity to inform us whether they could perform the specified scope of work.

Overall participation based on expenditures for the entire project as of October 27, 2016, (not including this Change Order):

PRIME:

31.0% WBE

SUBCONSULTANTS:

13.75 MBE; 36.55 WBE; and 18.70% Non M/WBE

TOTAL:

13.75% MBE; 67.55% WBE; and 18.70% Non M/WBE