



Water & Wastewater Commission Review and Recommendation

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|--|--|--------------------------|------------------------|
| Commission Meeting Date: | April 10, 2020 | COA Strategic Direction: | Health and Environment |
| Council Meeting Date: | April 23, 2020 | | |
| Department: | Capital Contracting Office | | |
| Client: | Charles Celauro, Bill Stauber | | |
| Agenda Item | | | |
| Recommend approval to award and execute a construction contract with T Morales Company Electric & Controls Ltd. (MBE), for the South Austin Regional Wastewater Treatment Plant Electrical Substation No. 1 Replacement project, in the amount of \$29,989,000 plus a \$2,989,900 contingency, for a total contract amount not to exceed \$32,987,900. | | | |
| Amount and Source of Funding | | | |
| Funding is available in the Fiscal Year 2019-2020 Capital Budget of Austin Water. | | | |
| Purchasing Language: | Only bid received through a competitive Invitation for Bid solicitation. | | |
| Prior Council Action: | N/A | | |
| Boards and Commission Action: | April 10, 2020 – To be reviewed by the Water and Wastewater Commission. | | |
| MBE/WBE: | This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program by meeting the goals with 45.48% MBE and 25.87% WBE participation. | | |

The existing outdoor electrical main 15KV switchgear for the South Austin Regional Wastewater Treatment Plant (SAR WWTP) has deteriorated and is in significant need of replacement. The existing 15KV switchgear serves as primary power source predominately for the Train A and B facilities of the plant, as well as areas common to all the plant such as Lift Station No. 1, the filter building, the water reuse facility, dechlorination building, and the administration building. The chief contributing agent to the deterioration of the existing gear is the atmospheric conditions, particularly the presence of high concentrations of corrosive gas within this location of the plant. The gear also presents maintenance safety concerns. The gear is outdated, and its replacement electrical components are unavailable or difficult to procure.

The purpose of this project is to construct new 15KV switchgear to support the infrastructure served by the existing deteriorated 15KV switchgear. Included is construction of a new unoccupied building to house the new 15KV switchgear and associated electronics. The new building will be environmentally protected to maintain suitable air quality for the new 15KV switchgear and its ancillary electronic equipment, thereby avoiding a re-occurrence of the corrosion issues encountered with the existing gear.

This item includes two allowances. The allowance of \$200,000 will be used to address the inclusion of current City security systems identified for process plant systems. The allowance of \$680,000 will be used to accommodate changes to Austin Energy service connections to this site. An allowance is an amount that is specified and included in the construction contract or specifications for a certain item(s) of work whose details are not yet determined at the time of bidding.

This solicitation received only one bid due in part to the current Austin construction market, which is highly active. As such, general contractors are in demand and seem more inclined to pursue projects that require less specialized skills, less technical experience, less overall risk, and less complexity than this SAR WWTP Substation No. 1 Replacement project. Additionally, if this project is reissued for bid, there are no assurances that more contractors would respond to the solicitation, or that any respondent would have the skills and qualifications necessary for this technically complex and specialized work.

The site for this work is entirely on plant property which is not accessible to the public. The project team has designed this project to minimize the potential of process outages or service impacts.

If this project is not approved, the delay will increase costs as the majority of this project cost is electrical and electronic equipment. It will also prolong safety concerns with the existing site.

Due to the potential for unforeseen conditions in the power distribution part of the project through the site, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project.

The contract allows 1,200 calendar days for completion of this project. This project is located within zip code 78617. (District #2). The project will be managed by Public Works.

T. Morales Company Electric & Controls Ltd. is located in Florence, Texas.

Information on this solicitation is available through the City's Austin Finance Online website. Link: [Solicitation Documents](#).

MBE/WBE Summary

Public notice was given for this solicitation CLMC739, South Austin Regional WWTP Electrical Substation No.1 Replacement project, through the City's Vendor Connection web portal. One bid was received and opened on December 19, 2019. The one bid received was from an MBE/WBE certified firm. T. Morales Company Electric & Controls Ltd. submitted the only bid including two allowances of \$880,000.

| | <u>Base Bid</u> | <u>Base Bid + Allowances</u> |
|---|-----------------|------------------------------|
| T. Morales Company Electric & Controls Ltd., Florence, TX, (MBE/FH) | \$29,109,000 | \$29,989,000 |

The contractor's choice of work methodology provides for twenty-eight areas of subcontracting opportunities which are listed below. Project specific subgoals stated in the solicitation were 1.84% African American; 3.26% Hispanic; 1.35% Native/Asian; 1.89% WBE. Total participation is estimated on base bid amount:

Base Bid: \$ 29,109,000.00

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|-----------------------------|--|----|---------------|--------|
| PRIME | M/WBE TOTAL | \$ | 12,143,746.00 | 41.72% |
| | (FH) T. Morales Company Electric & Controls Ltd., Florence, TX | | | |
| <hr/> | | | | |
| MBE TOTALS - SUBCONTRACTORS | | \$ | 1,096,000.00 | 3.76% |
| <hr/> | | | | |
| | <i>African American Subtotal</i> | \$ | 664,000.00 | 2.28% |
| | (MB) Trini Construction Builders, Austin, TX (Curb & gutter, concrete) | \$ | 624,000.00 | 2.14% |
| | (MB) Lewis Clark Trucking, Austin, TX (Trucking) | \$ | 40,000.00 | 0.14% |
| | <i>Native/Asian American Subtotal</i> | \$ | 432,000.00 | 1.48% |
| | (MA) Shah Systems & Technology Corp., Austin, TX (Switchgear & parts) | \$ | 432,000.00 | 1.48% |
| <hr/> | | | | |
| WBE TOTALS - SUBCONTRACTORS | | \$ | 7,529,500.00 | 25.87% |
| | (FW) Stephanie Braun Clayton Photography, Austin, TX (Photography) | \$ | 40,000.00 | 0.14% |
| | (FW) Terra Ecoservice, LLC, Austin, TX (Environmental & ecological services) | \$ | 32,000.00 | 0.11% |
| | (FH) Prota, Inc., Austin, TX (Excavation) | \$ | 7,450,000.00 | 25.59% |
| | (FW) Walker Texas Surveyors, Cedar Park, TX (Surveying) | \$ | 7,500.00 | 0.03% |

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|---|-----------------|--------|
| NON MBE/WBE TOTALS - SUBCONTRACTORS | \$ 8,339,754.00 | 28.65% |
| Power Engineering Services, Inc., Converse, TX (Electrical cable testing) | \$ 26,620.00 | 0.09% |
| Bonded Lightning Protection Systems, Argyle, TX (Lightning protection services) | \$ 150,680.00 | 0.52% |
| Matous Construction Ltd., Belton, TX (Construction, WW treatment facility) | \$ 5,033,000.00 | 17.29% |
| Tyco Fire & Security Management Inc. (Johnson Controls), Round Rock, TX (Fire alarm) | \$ 23,500.00 | 0.08% |
| Penhall Co., Austin, TX (Boring, drilling, testing, & soundings) | \$ 11,926.00 | 0.04% |
| Thermal Mechanical Contractors, Manor, TX (Heating, air conditioning) | \$ 658,700.00 | 2.26% |
| Control Panels USA, Austin, TX (Industrial & process control systems) | \$ 861,000.00 | 2.96% |
| Fuquay Inc., Austin, TX (Erosion control services) | \$ 35,110.00 | 0.12% |
| Viking Fence Company, Austin, TX (Fencing) | \$ 21,977.00 | 0.08% |
| Voges Drilling Company, New Braunfels, TX (Drilled shafts) | \$ 49,900.00 | 0.17% |
| CMC Steel Fabricators, Ltd., Buda, TX (Bars, steel reinforcing) | \$ 55,572.00 | 0.19% |
| Seguin Fabricators, Ltd., Seguin, TX (Miscellaneous steel) | \$ 351,914.00 | 1.21% |
| Alpha Painting & Decorating Co. Inc., Hutto, TX (Painting) | \$ 135,675.00 | 0.47% |
| Texas Roofing Co. LP, Round Rock, TX (Roofing) | \$ 183,700.00 | 0.63% |
| Alpha Insulation & Waterproofing, Inc., Round Rock, TX (Insulation) | \$ 121,022.00 | 0.42% |
| Cline Aluminum Doors, Inc., Bradenton, FL (Aluminum doors) | \$ 18,670.00 | 0.06% |
| DuraServ Corp dba Overhead Door Company of Austin, Austin, TX (Insulated rolling steel service doors) | \$ 81,303.00 | 0.28% |
| Jimsco Glass & Window, Inc., Temple, TX (Windows) | \$ 6,450.00 | 0.02% |
| Custom Masonry Corp., San Antonio, TX (Masonry) | \$ 408,126.00 | 1.40% |
| Lauren Concrete LP, Austin, TX (Concrete) | \$ 100,000.00 | 0.34% |
| Ferguson Waterworks, San Antonio, TX (Pipe, iron) | \$ 4,909.00 | 0.02% |

The Contractor submitted a MBE/WBE Compliance Plan that met the goals of the solicitation and was approved by the Small and Minority Business Resources Department.

CERTIFIED BID TAB

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|-----------------------|--|---|--|--|--|
| CITY OF AUSTIN | | PROJECT SPONSOR: Austin Water | | BID OPENING DATE: 12/19/2019 | |
| | | BID CERTIFICATION & CONTRACT REP: Sofie Johnson | | TIME: 1:00 PM | |
| BID TABULATION | | PROJECT MANAGER: Gary Jackson | | LOCATION: 505 Barton Sprgs, Ste 1045-C | |
| | | PROJECT CONSULTANTS: Harutunian Engineering, Inc. | | PRICE EXPIRATION: 120 Calendar Days | |
| | | DURATION: 1200 Calendar Days | | LIQUIDATED DAMAGES: \$2770 P/CAL. DAY | |

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|--|---------------------------|
| PROJECT: South Austin Regional WWTP Electrical Substation No. 1 Repacement Project | SUB ID# 3333.032 |
| BID INVITATION NO: CLMC739 | RESPONSES: 1 |
| PROJECT NUMBER(S): | ESTIMATE: \$23,563,710.00 |

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| BIDDER(S): | T. Morales Company Electric & Controls, Ltd. | | |
| LOCATION: | Florence, TX | | |
| GUARANTEE: BB-Bid Bond CC-Cashiers Check CTC-Cert. Chk. | BB | | |
| ADDENDA ACKNOWLEDGED | Yes | | |

| BID ITEM | QTY | UNIT | ITEM DESCRIPTION | UNIT PRICE | AMOUNT | UNIT PRICE | AMOUNT | UNIT PRICE | AMOUNT |
|-------------------------------------|-----|------|------------------|------------|------------------|------------|--------|------------|--------|
| BASE BID: | | | | | \$ 29,109,000.00 | | | | |
| ALLOWANCE #1 Security System | | | | | \$ 200,000.00 | | | | |
| ALLOWANCE #2 Austin Energy Service: | | | | | \$ 680,000.00 | | | | |
| BASE BID PLUS ALLOWANCES: | | | | | \$ 29,989,000.00 | | | | |

TRUE COPY OF BID TABULATION AS RECEIVED OR
CORRECTED IN ACCORDANCE WITH CONDITIONS
GOVERNING PROPOSALS.

 1-23-2020
 CAPITAL CONTRACTING OFFICE
 CONTRACT PROCUREMENT DIVISION
 CITY OF AUSTIN, TX

DATE