



Recommendation for Action

File #: 20-3263, **Agenda Item #:** 6.

10/29/2020

Posting Language

Authorize negotiation and execution of change order No. 14 in an amount not to exceed \$825,157.76 to the construction contract with SJ Louis Construction of Texas, Ltd., for the Parmer Lane Interceptor project, plus an additional contingency in the amount of \$300,000, for a total contract amount not to exceed \$28,549,489.76.

[Note: This change order will be executed in compliance with City Code 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program). Current participation to date is 5.33% MBE and 1.44% WBE.].

Lead Department

Capital Contracting Office

Managing Department

Public Works Department

Fiscal Note

Funding is available in the Fiscal Year 2020-2021 Capital Budget of Austin Water.

Purchasing Language:

Original contract was awarded through a competitive Invitation for Bid solicitation process.

Prior Council Action:

December 1, 2016 - Council approved a construction contract with SJ Louis Construction of Texas, Ltd., for the Parmer Lane Interceptor project.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>.

NOTE: Questions for this solicitation should be directed to Rolando Fernandez, 512-974-7749, Garrett Cox, 512-974-9423, or the Project Manager, Michael Deas, 512-974-1175.

Council Committee, Boards and Commission Action:

October 14, 2020 - Recommended by the Water and Wastewater Commission on an 8-0 vote with Commissioner Penn recusing and Commissioner Turrieta absent.

Additional Backup Information:

The Parmer Lane Interceptor project involves the installation of over two miles of 42-inch diameter wastewater pipeline along Parmer Lane between Anderson Mill and McNeil Roads to better protect the public health and the environment and reduce operating expenses by removing aged and underperforming wastewater facilities.

Once installed, wastewater will flow by gravity to the Walnut Creek wastewater treatment plant, enabling the decommissioning of the Lake Creek and Rattan Creek lift stations which will increase reliability and lower operation and maintenance requirements.

Prior change orders have been required due to in-situ conditions differing from predicted conditions, which resulted in substantially slower than expected tunneling and excavation progress. The prior change orders were within the 10 percent contingency amount previously approved by Council.

Increased wastewater flows due to population growth, a more conservative modeling approach, and an optimized tie-in design have increased the quantity and duration of bypass pumping required to connect the new wastewater main and decommission existing lift stations. Change order No. 14 allows for the successful integration of the Parmer Lane Interceptor into the existing wastewater system, as well as capturing additional costs associated with a culvert installation, COVID-19 delays, and an auxiliary sanitary sewer line. Beyond change order No. 14, additional contingency is needed to address potential changes related to sub-surface excavation, lead remediation, and lift station decommissioning and will allow for the expeditious processing of any additional change orders.

The construction is occurring entirely within City property and Austin Water permanent and temporary easements. This project has minimal impact to the public.

If Council does not approve this item, the Parmer Lane Interceptor will be unable to be placed in operation.

This change order has been approved by the City's Change Control Committee. The Change Control Committee was established to comply with Council Resolution No. 20120126-048, which required the establishment of consistent criteria and process to evaluate contractual changes for all contracts administered by the Capital Contracting Office. The Change Control Committee is comprised of management-level subject matter experts.

The contract allows 1,410 calendar days for completion of this project. This project is located within zip codes 78729 and 78727 (District 6).

SJ Louis Construction of Texas, Ltd. is located in Mansfield, Texas.

Strategic Outcome(s):

Health and Environment.