



**Water & Wastewater Commission
Review and Recommendation**

Commission Meeting Date:	December 1, 2021	COA Strategic Direction:	Health and Environment
Council Meeting Date:	December 9, 2021		
Department:	Capital Contracting Office		
Client:	Shay Ralls Roalson		
Agenda Item			
Recommend approval to award and execute a construction contract with Austin Underground, Inc., for the Polybutylene Water Services Replacement Program project in the amount of \$8,640,295.00 plus a \$864,029.50 contingency, for a total contract amount not to exceed \$9,504,324.50. (Districts 1, 2, 3, 6, 8 & 10)			
Amount and Source of Funding			
Funding is available in the Fiscal Year 2021-2022 Capital Budget of Austin Water.			
Purchasing Language:	Lowest responsive bid of four bids received through a competitive Invitation for Bid solicitation.		
Prior Council Action:	N/A		
Boards and Commission Action:	December 1, 2021 — 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 99.27% MBE and 0.72% WBE participation.		

Austin Water's distribution system is large and complex, consisting of approximately 3,900 miles of water mains and serving approximately one million customers. Distribution system assets require ongoing repair and replacement to prevent leaks and loss of valuable treated water because of deterioration due to environmental conditions and aging.

Water service lines made of polybutylene or polyethylene fail at a much higher rate compared to other materials such as copper or high-density polyethylene (HDPE). Additionally, failure rates for polybutylene or polyethylene pipes increase at higher pressures. The cost of proactively replacing a service as part of a construction contract is about 30% less than the cost to reactively repair or replace using Austin Water's Distribution System Maintenance (DSM) crews. Proactive service line replacement also results in less water loss and fewer unscheduled customer service outages. Since 2001, Austin Water has been proactively replacing polybutylene and polyethylene services in areas of high static pressure using both internal forces and contractor resources.

Under the Polybutylene Water Services Replacement Program project, approximately 2,200 polybutylene and polyethylene water services with pressures exceeding 105 pounds per square inch (PSI) will be replaced with copper services in 62 subdivisions. Many of these services have previously experienced one or more breaks with subsequent repair by DSM crews.

This item includes one allowance. The allowance of \$50,000 will be used to address private plumbing repairs. 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.

Due to the potential for unforeseen conditions and unknown utility conflicts, 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. By authorizing the additional contingency funding, Council is authorizing any change orders within the contingency amount.

Construction activity will be primarily within City of Austin right-of-way. During construction, temporary lane closures will be in effect on streets where water service lines are replaced. The project proposes lane closures and/or detours during off-peak traffic hours. The contractor will install appropriate traffic detour signs and barricades to direct traffic. The contractor will work to ensure that residents always have access to their driveways. If access cannot be maintained, written notice of limited access will be provided to the affected property owner(s) at least 24 hours in advance.

In addition, there will be planned temporary water service interruptions, primarily during pipeline tie-in and service reconnection. Residents will be notified at least 48 hours in advance of planned service interruptions.

This construction contract is time sensitive and is a critical component of maintenance and repair to the water distribution system. Delay or deferral of this contract will have a negative effect on infrastructure stability and increase the risk of lost treated water.

The contract allows 608 working days for completion of this project. This project is located within zip codes 78617, 78704, 78730, 78731, 78736, 78737, 78741, 78745, 78746, 78748, 78749, 78750, 78754 and 78759.

Austin Underground, Inc. is located in Lago Vista, Texas.

M/WBE Summary

Public notice was given for this solicitation, CLMC850 Polybutylene Water Services Replacement Program, through the City’s Vendor Connection web portal. Four bids were received and opened on September 9, 2021. Of the four bids received, two bids were from MBE/WBE certified firms. Austin Underground, Inc., submitted the lowest responsive bid including an allowance of \$50,000:

	<u>Base Bid</u>	<u>Base Bid + Allowance</u>
Austin Underground, Inc., Lago Vista, TX (MBE/MH)	\$8,590,295.00	\$8,640,295.00
RTS Water Solutions, LLC, Parkville, MO	\$8,968,456.32	\$9,018,456.32
Facilitites Rehabilitation, Inc., Austin, (MBE/MH)	\$9,675,020.00	\$9,725,020.00
PGC General Contractors, LLC, Austin, TX	\$15,331,265.00	\$15,381,265.00

The contractor’s choice of work methodology provides for eight areas of contracting opportunities which are listed below. Participation goals stated in the solicitation were 1.45% African American; 6.40% Hispanic; 0.84% Native/Asian; 0.70% WBE. Total participation is estimated on the base bid amount:

	Base Bid: \$	8,590,295.00	
PRIME	MBE TOTAL	\$	8,329,295.00 96.96%
	(MH) Austin Underground, Inc., Lago Vista, TX		
MBE TOTALS - SUBCONTRACTORS	\$	198,000.00	2.31%
	<i>African American Subtotal</i>	\$	125,000.00 1.46%
	(MB) Sam Kellough Trucking, Austin, TX (Portion Hourly Haul)	\$	125,000.00 1.46%
	<i>Native/Asian American Subtotal</i>	\$	73,000.00 0.85%
	(MA) Benqwest, Austin, TX (Fuel Oil, Diesel)	\$	73,000.00 0.85%
WBE TOTALS - SUBCONTRACTORS	\$	62,000.00	0.72%
	(FA) Maries Trucking, Austin, TX (Portion Hourly Hauling)	\$	62,000.00 0.72%
NON MBE/WBE TOTALS - SUBCONTRACTORS	\$	1,000.00	0.01%
	Austin Underground dba Cubic Concrete, Lago Vista, TX (Concrete)	\$	100.00 0.00%
	Custom Crete, Austin, TX (Concrete)	\$	100.00 0.00%
	Centex Materials, Austin, TX (Concrete)	\$	100.00 0.00%
	Texas Concrete, Cedar Park, TX (Concrete)	\$	100.00 0.00%
	The Asphalt Repair Company, Lago Vista, TX (Asphalt Paving & Milling)	\$	100.00 0.00%
	W&C Surveying dba Eagle Eye Construction Layout, Leander, TX (Construction Services, Trade (New Construction))	\$	100.00 0.00%
	Lone Star Paving, Austin, TX (Asphalt Paving & Milling)	\$	100.00 0.00%

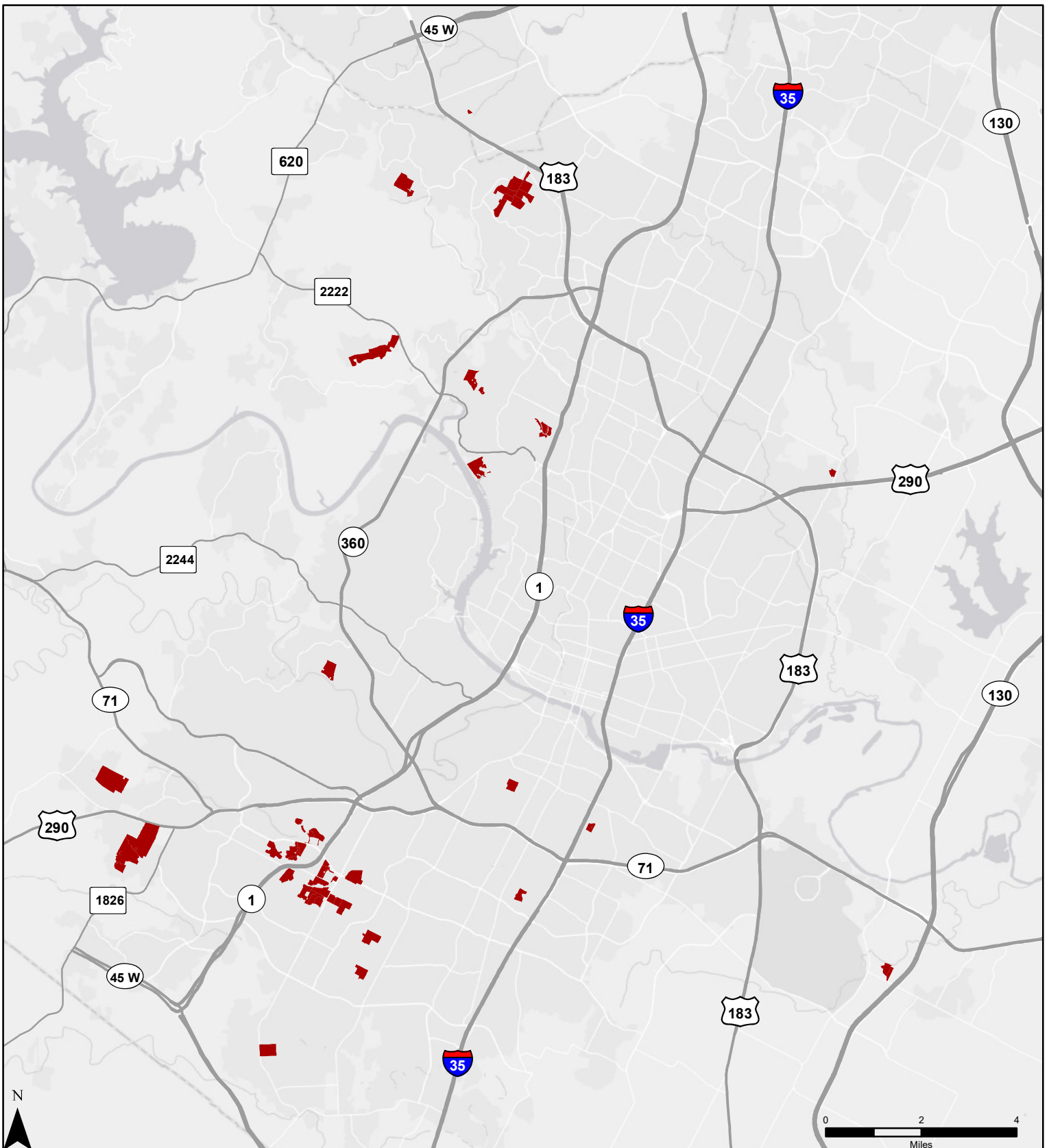
The Contractor submitted a MBE/WBE Compliance Plan that met the goals of the solicitation and was approved by the Small and Minority Business Resources Department. Second and third low bidder information is provided.

SECOND BIDDER – RTS Water Solutions, LLC, Parkville, MO \$8,968,456.32
 80% NON M/WBE prime participation; 20% NON M/WBE subcontractor participation.

THIRD BIDDER – Facilities Rehabilitation, Inc., Austin, TX

\$9,675,020.00

96.76% MBE prime participation; 1.54% African American; 0.93% Native/Asian; 0.77% WBE; subcontractor participation.



Polybutylene Water Services in the City of Austin

To be replaced by CIP (5309.007)

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Austin Water
Distribution System Engineering
Prepared 10/6/2021