

Posting Language

Recommend approval to negotiate and execute a Construction Manager at Risk Agreement with MGC Contractor's Inc. for preconstruction and construction phase services for the Walnut Creek Primary Clarifier and Flow Equalization Basin Rehab project in an amount not to exceed \$32,700,000. (District 1).

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 16.77% MBE, and 3.79% WBE participation.

Lead Department

Financial Services Department

Client Department

Austin Water Assistant Director of Engineering Services, Shay Ralls Roalson

Fiscal Note

Funding is available in the Capital Budget of Austin Water.

Purchasing Language:

Best value to the City of one offer received. A complete solicitation package, including a tabulation of the bids received, is available for viewing, is available for viewing on the City's Financial Services, website, Austin Finance Online. Link: [Solicitation Document](#).

Prior Council Action:

March 3, 2022 – City Council authorized negotiation and execution of an amendment to the professional services agreement with Black & Veatch Corp. for professional engineering services for the Walnut Creek Primary Clarifier and Flow Equalization Basin Rehab project in the amount of \$4,100,000 for a total contract amount not to exceed \$5,100,000.

December 9, 2021 – Council approved the use of the Construction Manager at Risk alternative delivery method of contracting.

March 26, 2020 – City Council authorized negotiation and execution of a professional services agreement with Black & Veatch Corporation (staff recommendation) for Request for Qualifications Solicitation No. CLMP284 to provide engineering services for the Walnut Creek Wastewater Treatment Plant Primary Clarifier and Flow Equalization Basin Rehab project in an amount not to exceed \$1,000,000.

Council Committee, Boards and Commission Action:

July 20, 2022 - To be reviewed by the Water & Wastewater Commission.

Additional Backup Information:

The Walnut Creek Wastewater Treatment Plant (WWTP) receives wastewater flow from Austin Water's wastewater collection system. The plant was originally built in 1977. Over the years, the

treatment plant has undergone numerous improvements and upgrades to modernize treatment methods as well as expand treatment capacity to 75 million gallons per day (MGD) with a 2-hour peak flow of 165 MGD. Treated plant effluent is discharged into the Colorado River. A portion of the treated effluent is used for non-potable water (NPW) on the plant site and supplies much of the City's Reclaimed Water program.

The purpose of this project is to rehabilitate and make improvements to the Primary Treatment Complex (PTC) No. 1, built in 1977, and PTC No. 2, was built in the late 1980s. Each PTC consists of two trains of primary clarifiers and in-line flow equalization basins (FEBs). Raw wastewater flows through the primary clarifiers, then continues to the in-line FEBs. Following the PTCs, the settled wastewater is pumped to secondary treatment for further treatment, and solids from the primary clarifiers are pumped to Hornsby Bend Biosolids Management Plant. Most of the mechanical and other components in PTC No. 1 and No. 2 are beyond their useful life and require replacement. This project will be delivered using the Construction Manager-at-Risk (CMR) method. Several factors make CMR the preferred delivery method, including constructability, schedule, and coordination with other projects on the site. The PTC structures are enclosed below grade, with limited access through doors and skylights, so contractor engagement during design will improve the constructability of the final plans. The project is primarily equipment replacement, so initiating procurement during design will reduce the overall schedule and allow better coordination with other projects on the site, including the expansion to 100 MGD.

The construction manager at risk method is a project delivery method where the City will contract with an architect/engineer to perform design services and separately contract with a Construction Manager at Risk firm to perform preconstruction and construction phase services. The role of the Construction Manager at Risk firm goes beyond performing general contractor services. The Construction Manager firm is under contract early in the design process to perform key preconstruction phase services such as collaborating with the City and the design team on scope and constructability and to optimize the design and control costs and budgets, and to provide quality assurance-quality control. After design, and before the Construction Manager firm begins construction, the City will negotiate and execute a Guaranteed Maximum Price (GMP) for the remainder of the work, including actual construction.

The Construction Manager firm is recommended by a City-staffed evaluation panel that evaluated and scored proposals based on published evaluation criteria to determine the highest ranked proposer. As set forth in Government Code Chapter 2269, the City of Austin will select a construction manager firm that will provide the "best value" to the City for preconstruction and construction services for the project.

Prior to entering into the Construction Phase, the City will establish Minority-owned Business Enterprise and Women-owned Business Enterprise goals for construction and the Construction Manager-at-Risk firm will submit a Compliance Plan meeting the construction goals or documentation detailing their good faith effort(s) to meet the established goals.

Notification of this Construction Manager-At-Risk project was sent to 1,150 companies on January 31, 2022. There was a mandatory pre-proposal meeting and site visit. Both meetings were mandatory

due to the complexity of the project being underground and keeping the treatment plant operational. Six prime contractors attended, but only one contractor submitted a proposal. Staff inquired why the other five prime contractors did not submit a proposal. Feedback received indicated that contractors had their resources committed to meet the needs of other projects. One contractor expressed their desire to team up with another contractor but was unsuccessful in meeting the solicitation due date. Another company expressed they are teaming with primes to participate as a subcontractor when GMP packages are bid out. City staff evaluated this single proposal and conducted an interview with the contractor. The interview process reinforced the panel's decision to recommend this contractor for award.

This construction contract is time sensitive and is critical to the improvement of the infrastructure stability of Austin's wastewater treatment system. Delay or deferral of this contract will require Austin Water's operation crews to perform additional operations and maintenance work at the PTCs until the units are replaced. Public impacts are not anticipated.

The contract allows 1095 calendar days for completion of this project. This project is located within the Walnut Creek WWTP site within zip code 78724 (District 1).

MGC Contractors, Inc. is located in New Braunfels, Tx.

Strategic Outcome(s):

Health and Environment.

M/WBE Summary

Public notice was given for this Request for Qualifications CLMA047 – Walnut Creek Primary Clarifier Flow Equalization Basin Rehab project, through the City’s Vendor Connection web portal. One proposal was received and opened March 31, 2022. The proposing contractor is not certified MBE/WBE. MGC Contractors, Inc.’s proposal was evaluated as the best value.

The contractor’s choice of work methodology provides for 12 areas of subcontracting opportunities which are listed below.

TOP RANKED FIRM: MGC Contractors, Inc – Total Participation:

NON M/WBE TOTAL – PRIME		67.11%
MGC Contractors, Inc.; New Braunfels, TX		67.11%
MBE TOTAL – SUBCONSULTANTS		16.77%
African American Subtotal		4.44%
(FB) Lou’Nea Clark Constructors, LLC; Austin, TX	(Project Mgmt. Services; Project Scheduling, Construction Mgmt.; Consulting)	4.44%
Hispanic Subtotal		4.11%
(MH) Garcia J. Contractors, Inc.; Buda, TX	(General Construction; General Contracting; Management Services)	4.11%
Native American Subtotal		8.22%
(MN) Gerald Nunn Electric, LLC.; Florence, TX	(Electrical)	8.22%
WBE TOTAL – SUBCONSULTANTS		3.79%
(FA) Unintech Consulting Engineers, Inc.; San Antonio, TX	(Engineering Consulting; Civil Engineering, Structural Engineering)	3.79%
NON-CERTIFIED TOTAL – SUBCONSULTANT		12.33%
Matous Construction, Ltd.; Belton, TX	(General Construction, Water/Wastewater, Pipeline)	12.33%

Project specific subgoals stated in the solicitation were **4.32%** African American; **4.03%** Hispanic; **2.44%** Asian/Native American; and **3.07%** WBE.

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

Total participation estimated on pre-construction phase services amount.

**Capital Contracting Office
Evaluation of Contractor Qualifications**

EVALUATION MATRIX

Received: 3/31/2022

Project: CLMA047 Walnut Creek Primary Clarifier-Flow Equalization Basin Rehab

Project Manager: Erik Kunkel

Firm or Joint Venture	Item 1	Item 2	Item 3	Item 4	Item 5 [20]	Item 6 [30] Experience of Proposed CMR Team Members						Item 7 [5] Experience of Proposed Major Subcontractors	Item 8 [15] CMR Team Structure			Item 9 [20] Work Approach and Delivery Schedule			Item 10 [20] CMR Reputation, Quality of Goods and Services and Business practices				Item 11 [10]	Item 12 [5]	Item 13 [4.5]	Item 14 [30] Proposed Fees		Evaluation	Item 15 [25]	Evaluation	Rank
	[Yes or No]	[Yes or No]	[Yes or No]	[Yes or No]		Experience of CMR	Project Manager [4.5]	Pre-Construction Manager [6]	Superintendent [7.5]	Cost Estimator [3]	Safety Manager [4.5]	Scheduler [4.5]	MBE/WBE/Small Business Outreach Coordinator [5]	Pre-construction services Org chart [2.5]	Construction & Construction Administration Org chart [2.5]	Team Structure & Communications [10]	Schedule [9]	Construction Planning [7]	Cost Control [4]	Business Outreach Practices [5]	Sustainable Process [5]	Quality and Performance [10]	CMR Team Experience with Austin-Area Issues	Local Business Presence	Service Disabled Veteran Business Enterprise (SDVBE)	General Conditions Estimated Sum [10]	Construction Manager's Fee [20]	Subtotal	Presentation	Total	
MGC Contractors, Inc.	Y	Y	Y	Y	18.12	3.88	4.90	6.50	2.54	3.95	3.65	4.90	2.30	2.30	9.10	9.00	6.80	3.90	4.70	4.60	8.33	9.20	1.00	0.00	10.00	20.00	139.67	24.20	163.87	1	