

Posting Language

Recommend approval to award and execute a construction contract with MWH Constructors, Inc., for the South Austin Regional Wastewater Treatment Plant Trains A & B Improvements project in the amount of \$116,000,852.00, plus a \$11,600,085.20 contingency, for a total contract amount not to exceed \$127,600,937.20. (District 2)

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 6.67% MBE and 1.39% WBE participation.

Lead Department

Financial Services Department – Capital Contracting

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

Lowest responsive bid of three bids received through a competitive Invitation for Bid solicitation. 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](#).

Council Committee, Boards and Commission Action

October 12, 2022 - To be reviewed by the Water & Wastewater Commission.

Additional Backup Information

The South Austin Regional Wastewater Treatment Plant (SAR WWTP) is currently permitted to treat 75 million gallons a day (MGD) of wastewater. The first treatment train, Train A, was constructed between 1984 and 1986. Subsequent to that, treatment Train B and the tertiary filtration process were constructed between 1986 and 1988. The treatment plant was expanded to 75 MGD capacity with the construction of treatment Train C in 2005. The plant receives wastewater flow from Austin Water's sanitary sewer collection system and treats it before returning it to the Colorado River. SAR WWTP is also a key facility in meeting Austin's reclaimed water needs for non-potable water such as irrigation and cooling towers.

Train A and B at the SAR WWTP make up a large portion of the plant's treatment capacity. Due to the age and condition of the assets, rehabilitation or replacement of equipment and structures is required to extend the service life of the major treatment units. The project includes improvements to primary clarifiers, aeration basins, secondary clarifiers, chlorine contact basins, and various other treatment equipment and assets including slide gates, piping, and pumps. New electrical and controls infrastructure will also be installed to support the rehabilitated treatment units and improve resiliency.

This item includes five allowances. The allowance of \$400,000 is for replacement of security hardware. The allowance of \$5,000 is for security badges. The allowance of \$100,000 is for unforeseen underground utilities modifications. The allowance of \$150,000 is for SCADA system equipment. The allowance of \$200,000 is for the relocation of the magnesium hydroxide tanks. 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 issues that may arise during construction, 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.

Delay or deferral of this contract will place an undue burden on City operations crews, will have a negative effect on infrastructure stability, and increase additional maintenance work.

All construction work will be completed within SAR WWTP property that is not open to the public. The contract allows 1,550 calendar days for completion of this project. This project is located within zip code 78617 (District 2).

MWH Constructors, Inc., is located in Broomfield, Colorado.

Strategic Outcome(s)

Health and Environment

MBE/WBE Summary

Public notice was given for this solicitation CLMC928 South Austin Regional WWTP Trains A & B Improvements, through the City’s Vendor Connection web portal. Three bids were received and opened on August 8, 2022. Of the three of bids received, none of the firms that submitted were certified MBE/WBE firms. MWH Constructors, Inc. submitted the lowest responsive bid including five allowances totaling \$855,000.

	<u>Base Bid</u>	<u>Base Bid + Allowances</u>
MWH Constructors, Inc., Broomfield, CO	\$115,145,852	\$116,000,852
Thalle Construction Co., Inc., Hillsborough, NC	\$135,170,000	\$136,025,000
PLW Waterworks, LLC, The Woodlands, TX	\$139,496,930	\$140,351,930

The contractor’s choice of work methodology provides for 20 areas of contracting opportunities which are listed below. Participation goals stated in the solicitation were 0.85% African American; 2.74% Hispanic; 0.65% Native/Asian; 0.88% WBE. Total participation is estimated on the base bid amount:

Base Bid: \$ 115,145,852.00

PRIME	NON MBE Total	\$	32,439,875.00	28.17%
	MWH Constructors, Inc., Broomfield, CO			
<u>MBE TOTALS - SUBCONTRACTORS</u>		\$	7,684,351.00	6.67%
	<i>African American Subtotal</i>	\$	1,300,000.00	1.13%
	(MB) Jeff T. Ellison DBA JTE Company, LLC, Pflugerville, TX			0.87%
	(Pipe, Ductile Iron, Cast Mech Joint)	\$	1,000,000.00	
	(MB) Lewis Clark Trucking, Austin, TX (Hauling)	\$	300,000.00	0.26%
	<i>Hispanic Subtotal</i>	\$	4,000,000.00	3.47%
	(MH) Daniel P. Ortega DBA Ortega Electrical Solutions	\$	4,000,000.00	3.47%
	(Electrical Equipment and Supplies)			
	<i>Native/Asian American Subtotal</i>	\$	2,384,351.00	2.07%
	(FN) KLP Commercial LLC, Manor, TX (Handrails, All Types, Gratings, Walkway, Fabricated Steel)	\$	2,384,351.00	2.07%
<u>WBE TOTALS - SUBCONTRACTORS</u>		\$	1,600,000.00	1.39%
	(FW) Champion Fuel Solutions, Bedford, TX (Fuel Oil, Diesel)	\$	600,000.00	0.52%
	(FW) Merrigan Electric, LLC, Leander, TX (Electrical)	\$	1,000,000.00	0.87%
<u>NON MBE/WBE TOTALS - SUBCONTRACTORS</u>		\$	73,421,626.00	63.76%
	W Industries, Houston, TX (Construction Services, Heavy Construction, Utility/Underground Projects, Construction and Upgrades, Wastewater Treatment Plant, Electrical, Industrial Warehouse, Utility Plants)	\$	34,473,870.00	29.94%
	Tanner Corporation, Cypress, TX (Demolition)	\$	2,322,000.00	2.02%

The Contractor submitted an 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 - Thalle Construction Co., Inc., Hillsborough, NC \$135,170,000
40.67% NON M/WBE; 1.99% African American; 3.52% Hispanic; 1.80% Native/Asian; 7.01% WBE; 45.01% NON M/WBE subcontractor participation.

THIRD BIDDER - PLW Waterworks, LLC, The Woodlands, TX \$139,496,930.00
31.22% NON M/WBE prime participation; 4.30% African American; 2.89% Hispanic; 2.5% Native/Asian; 7.6% WBE; 51.49% NON M/WBE subcontractor participation.

