



## Recommendation for Action

**File #:** 23-2392, **Agenda Item #:** 72.

7/20/2023

### **Posting Language**

Authorize execution of a contract for 2024 Waterline On-Call Services with PGC General Contractors, LLC, for up to three years for a total contract amount not to exceed \$9,000,000.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) through the achievement of Good Faith Efforts with 6.98% MBE and 1.32% WBE participation].

### **Lead Department**

Financial Services Department.

### **Managing Department**

Austin Water.

### **Fiscal Note**

Funding in the amount of \$3,000,000 is available in the Capital Budget of Austin Water. Funding for the extension options is contingent upon available funding in future budgets.

### **Purchasing Language:**

The Financial Services Department issued an Invitation for Bids (IFB) 6100 CLMC991 for these services. The solicitation was issued on April 17, 2023, and closed on May 18, 2023. Of the two offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online.

Link: [Solicitation Documents](#)

[<https://financeonline.austintexas.gov/afo/account\\_services/solicitation/solicitation\\_details.cfm?sid=138814>](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=138814).

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or [<mailto:FSDCentralProcurementRCAs@austintexas.gov>](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

### **Council Committee, Boards and Commission Action:**

July 19, 2023 - Not reviewed by the Water and Wastewater Commission due to a lack of quorum.

### **Additional Backup Information:**

This Indefinite Delivery/Indefinite Quantity (IDIQ) contract will provide a contractor to respond to emergencies related to waterline repairs that Austin Water (AW) crews are unable to address. The selected contractor will also repair or replace water valves, fire hydrants, water meters, as well as assist with AW's leak detection and condition assessment program, and perform other work associated with water mains and associated appurtenances that city crews are unable to address. The scope of the contract will also include waterline replacement projects to upgrade small pipe sizes in areas with insufficient service. The project was bid as a

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service contract with numerous bid items to accommodate the anticipated work. The bid documents did not include engineered plans as exact scope of work and work locations are unknown at this time. Work performed under this contract will be entirely within the AW service area.

IDIQ contracts provide for an indefinite quantity of services for a fixed time, usually an initial term with extension options. They are commonly used when precise quantities of supplies or services, above a specified minimum, cannot be determined. IDIQ contracts help streamline the contract process and service delivery and allow the City the flexibility to add work as needs arise or change. As each project is defined, a specific work assignment will be assigned to the contractor who will complete the scope of work for the unit prices included in the contract. Work deadlines will be established for each work assignment.

The current 2021 Waterline IDIQ contract expired in June 2023. The 2024 Waterline On-Call Services IDIQ will continue with a new three-year contract. Historically, Waterline IDIQ contracts have been a huge success in allowing AW to respond to large diameter water system emergencies in a timely and efficient manner. They have also allowed for the more efficient repair and replacement of large water valves and associated appurtenances.

The base bid was used to identify and determine the lowest responsive bidder and to determine contract unit prices for each bid item.

This request allows for the execution of a construction contract with PGC General Contractors, LLC for an estimated period of one year with two, one-year extension options. However, if funds for the initial term are expended staff may accelerate the extension options, but in no event will exceed the total contract amount. The extension options are subject to the agreement of both parties.

If this contract is not approved, AW will be unable to timely and efficiently respond to emergency large diameter waterline repairs.

This project is located within the AW service area (all council districts plus portions of the City's extraterritorial jurisdiction).