

**Posting Language**

Recommend approval to execute a contract for construction services for the 38th and 40th Streets Water and Wastewater Pipeline Renewal project with Cedar Hills Construction, LLC, in the amount of \$4,760,554 plus a \$476,055 contingency for a total contract amount not to exceed \$5,236,609. (District 9)

**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 7.64% MBE and 0.89% WBE participation.

**Lead Department**

Financial Services Department

**Client Department**

Austin Water Assistant Director of Engineering Services, Charles Celauro.

**Fiscal Note**

Funding in the amount of \$4,648,353.85 is available in the Capital Budget Austin Water.

**Purchasing Language:**

The Financial Services Department issued an Invitation for Bids (IFB) CLMC1012 for construction services. The solicitation was issued on October 30, 2023, and closed on December 7, 2023. Of the four offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services, website, Austin Finance Online. Link: [Solicitation Document](#).

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

February 14, 2024 - To be reviewed by the Water & Wastewater Commission.

**Additional Backup Information:**

The 38th and 40th Streets Water and Wastewater Pipeline Renewal project is part of the Renewing Austin Program. The Renewing Austin Program is an ongoing effort to replace, and upgrade deteriorated and aging water mains with a documented history of multiple breaks, that are in poor condition, and that impact service delivery. In addition, the program coordinates and includes wastewater lines in poor condition and in need of replacement within the project area.

This project consists of the repair and replacement of existing water and wastewater mains located within the general boundaries of Red River Street (west), East 40th Street (north), North IH35 South Bound Service Road (east), and East 37th Street (south). The water system renewal includes approximately 2,650 linear feet of 8-, 12-, and 16-inch main along with service lines to individual properties and appurtenances. The wastewater system renewal includes 2,610 linear feet of 8-inch main, service lines to individual properties, and manholes.

This item includes three allowances. An allowance of \$10,000 will be used to address contaminated soil and water, if encountered. An allowance of \$360,000 will be used for private lateral connections.

And an allowance of \$130,000 will be used for water service relocations. An allowance is an amount that is specified and included in the construction contract or specifications for a certain item(s) of work when details are not determined at the time of bidding.

This contract will include award of an alternate bid item for the installation of approximately 1,400 linear feet of Americans with Disabilities Act (ADA) compliant sidewalks, curb, and ramp within the project limits. An alternate bid is a specified item of the construction work that is priced separately and may be awarded as part of the contract, if the bids come within the specified budget.

Due to the potential for encountering unknown underground utilities 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.

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 and businesses 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 and wastewater 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 critical to the improvement of the infrastructure stability of Austin's water distribution and wastewater collection systems. Delay or deferral of this contract will require Austin Water's operations crews to perform additional maintenance work and repairs to the lines until they are replaced.

The contract allows 360 calendar days for completion of this project. This project is located within zip code 78751 (District 9).

## **M/WBE Summary**

Public notice was given for this solicitation (CLMC1012, 38th and 40th Streets Water and Wastewater Pipeline Renewal), through the City's Financial Services website, Austin Finance Online. Four bids were received and opened on December 7, 2023. Of the four bids received, two bids were from an MBE/WBE certified firm. Cedar Hills Construction, LLC, submitted the lowest responsive bid including an alternate bid item of \$588,255 and allowances in the amount of \$500,000:

	<u>Base Bid</u>	<u>Base Bid + Alternate + Allowances</u>
Cedar Hills Construction, LLC, Cedar Park, TX	\$3,672,298.50	\$4,760,553.50
Facilities Rehabilitation Inc., Austin, TX (MH)	\$3,780,700.00	\$4,909,240.00
Santa Clara Construction Ltd, Austin, TX (MH)	\$4,324,202.00	\$5,178,652.00
BRCT, LLC, Black Rock, Mansfield, TX	\$7,435,187.50	\$8,467,662.50

The contractor's choice of work methodology provides for 11 areas of contracting opportunities which are listed below. Project specific goals stated in the solicitation were 1.73% African American; 5.58% Hispanic; 0.21% Native/Asian American; 0.86% WBE. Total participation estimated on base bid amount:

		<b>Base Bid:</b>	<b>\$ 3,672,298.50</b>	
PRIME	NON M/WBE TOTAL		\$ 2,148,445.45	58.50%
	Cedar Hills Construction, LLC, Cedar Park, TX			
	MBE TOTALS - SUBCONTRACTORS		\$ 280,740.00	7.64%
	<i>African American Subtotal</i>		\$ 64,587.00	1.76%
	(MB) Earthco Landscape Construction, LLC, Georgetown, TX (PVC pipe)		\$ 64,587.00	1.76%
	<i>Hispanic Subtotal</i>		\$ 207,940.00	5.66%
	(MH) Industry Junction, Garland, TX (pipe and tubing)		\$ 187,940.00	5.12%
	(MH) C. Garcia Trucking, Buda, TX (hauling)		\$ 20,000.00	0.54%
	<i>Native/ Asian American Subtotal</i>		\$ 8,213.00	0.22%
	(MA) Benqwest, LLC, Austin, TX (diesel fuel)		\$ 8,213.00	0.22%
	WBE TOTALS - SUBCONTRACTORS		\$ 32,740.00	0.89%
	(FW) Champion Fuel Solutions, Bedford, TX (diesel fuel)		\$ 32,740.00	0.89%
	NON MBE/WBE TOTALS - SUBCONTRACTORS		\$ 1,210,373.05	32.96%
	Ferguson Enterprises, LLC, Georgetown, TX (PVC pipe)		\$ 687,604.75	18.72%
	Custom Crete, Austin, TX (ready mix concrete)		\$ 2,500.00	0.07%
	National Works, Luling, TX (concrete coatings)		\$ 25,806.75	0.70%

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** – (MH) Facilities Rehabilitation Inc., Austin, TX **\$3,780,700.00**  
97.20% MBE; 1.73% African American; 0.21% Native/Asian American; 0.86% WBE subcontractor participation

**THIRD BIDDER – (MH) Santa Clara Construction, Austin, TX** \$4,324,202.00  
82.89% MBE; 1.74% African American; 0.23% Native/Asian American; 0.89% WBE; 14.25% NON M/WBE  
subcontractor participation



## Project Map: CIP ID: 2231.341 - 38th and 40th Streets Water and Wastewater Pipeline Renewal

