



City of Austin

Recommendation for Action

File #: 24-4617, **Agenda Item #:** 61.

5/30/2024

Posting Language

Authorize negotiation and execution of a contract for pre-construction and construction services for the Walnut Creek Wastewater Treatment Plant Expansion to 100 Million Gallons per Day project with MWH Constructors Inc. in an amount not to exceed \$900,000,000.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority-Owned and Women-Owned Business Enterprise Procurement Program) by meeting the goals with 18.04% MBE and 6.45% WBE participation].

Lead Department

Financial Services Department.

Managing Department

Capital Delivery Services.

Amount and Source of Funding

Funding is available in the Capital Budget of Austin Water.

Purchasing Language:

The Financial Services Department issued a Request for Qualifications (RFQS) 6100 CLMA050A for these services. The solicitation was issued on November 16, 2023, and closed on January 25, 2024. Of the two offers received, the recommended contractor submitted the better evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website. This information can currently be found at https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=140116.

Prior Council Action:

December 8, 2022 - Council approved Construction Manager at Risk methodology with MWH Constructors Inc for the Walnut Creek Wastewater Treatment Plant Expansion to 100 Million Gallons per Day (MGD) project.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: 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:

May 8, 2024 - Recommended by the Water and Wastewater Commission on a vote of 7-0 with Commissioners Penn, Angoori, Musgrove and Tuñón Sion absent.

Additional Backup Information:

Walnut Creek Wastewater Treatment Plant (WWTP) is permitted to treat and discharge an average daily flow

of 75 million gallons per day (MGD) and a 2-hour peak flow of 165 MGD. A portion of the plant effluent is used for non-potable water at the plant site and to supply much of the City's growing Water Reclamation Initiative program. The remainder plant effluent is discharged into the Colorado River.

This project will expand the plant to treat and discharge an annual average daily flow of 100 MGD and a 2-hour peak flow of 300 MGD. The expansion is needed based on projected future flows of wastewater into the plant, in accordance with Texas Commission on Environmental Quality (TCEQ) regulations and the requirements of Texas Administrative Code. Additionally, the project will implement Biological Nutrient Removal (BNR) in the existing facilities and proposed facilities to meet more stringent effluent quality limits in the plant's discharge permit issued by TCEQ that go into effect with the expansion. The project will also convert the disinfection method from chlorine gas to ultraviolet (UV) disinfection. The project includes several distinct components: a new 25 MGD treatment train with BNR and UV, upgrade of the existing treatment to BNR and UV, new peak flow treatment, new influent siphons, new effluent pipe and outfall, and a flood wall around the site.

The Walnut Creek WWTP Expansion to 100 MGD project is a complex and large-scale project, with many distinct work areas, complex site utilities and connections, complex rehabilitation and upgrade of existing treatment trains, and a critical schedule with potential regulatory impacts. The Construction Manager-at-Risk delivery method will allow close coordination between the design team, contractor, subcontractors, and the City team during the design phase to address many complexities and risks.

The Walnut Creek WWTP provides high-quality wastewater treatment for a large portion of the City and is a critical element of the overall community's basic utility infrastructure. The plant is located within the East Austin community, and Austin Water is dedicated to remaining a good neighbor and address potential community impacts as staff work to improve this facility to meet stringent environmental standards and to serve the growing needs of our City.

Austin Water has engaged neighbors and interested residents to make them aware of the project and to seek their input on possible concerns and community enhancements that could result from the project. Staff uses a variety of community outreach strategies including outreach to community groups, social media, online resources, and neighborhood meetings. During the design phase, Austin Water will continue to provide timely updates to maintain community engagement.

Although this construction project will take place within the existing boundary of the Walnut Creek WWTP, anticipated public impacts may include:

- Increase of construction traffic on FM 969 (beginning in or after 2024).
- Possible traffic detours on FM 969 near Johnny Morris Rd. (beginning in or after 2024.)

Prior to entering into the Construction Phase, the City will establish Minority-Owned and Women-Owned Business Enterprise goals for construction. 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. Additional subcontracting opportunities will also arise during the Construction Phase of this project; however, the specific scopes and magnitude of the construction work cannot be determined until design has been sufficiently completed.

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 at Risk 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 to optimize the design and control costs. After design and before the Construction Manager at Risk firm begins construction, the City will negotiate and execute a

Guaranteed Maximum Price for the remainder of the work, including actual construction.

The Construction Manager at Risk 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 at Risk firm that will provide the “best value” to the City for preconstruction and construction services for the project.

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 affect the ability to perform the improvements and upgrades in a timely manner to reliably accept and treat the increased wastewater flows and meet TCEQ requirements.

The project is located within zip code 78724, District 1.