

## A G E N D A



## Recommendation for Council Action (CMD)

Austin City Council	Item ID:	47674	Agenda Number	9.
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Meeting Date: August 6, 2015

Department: Contract Management

## Subject

Authorize award and execution of a construction contract with TEXAS GAS SERVICE to relocate an existing 8-inch high pressure gas main located on East Parmer Lane at the Harris Branch Creek Crossing for a total contract amount not to exceed \$350,000.

## Amount and Source of Funding

Funding is available in the Fiscal Year 2014-2015 Capital Budget of Austin Water Utility.

## Fiscal Note

A fiscal note is attached

Purchasing Language: Texas Gas Service is the sole source of this service.

Prior Council Action:

For More Information: Brenda Baker, 512-974-1175; Yvonne Gil, 512-972-2048; Rolando Fernandez, 512-974-7749; Elizabeth Godfrey-Weidig, 512-974-7141

Boards and Commission Action: June 10, 2015 – Approved by the Water and Wastewater Commission on a 4-1-0-2 with Commissioners Castleberry and Lee absent and Commissioner Fishbeck voting against the item.

Related Items:

MBE / WBE: The contract will be awarded as a sole source and is exempt from City Code Chapter 2-9A Minority Owned and Women Owned Business Enterprise Procurement Program.

## Additional Backup Information

The purpose of this Request for Council Action is to request authorization to enter into an agreement with Texas Gas Services in order to remove and replace an 8-inch gas line away from the water line alignment, which will allow the City to complete the Boyce Lane Water Transmission Main Project.

The Boyce Lane Water Transmission Main Project consists of 15,250 linear feet of 24-inch water main running within Texas Department of Transportation right of way from East Parmer Lane beginning at Harris Branch Parkway and ending near US Highway 290. A construction contract with Mountain Cascade of Texas, LLC, was approved by City Council on February 28, 2013 to install the water main. Approximately 94% the water line is installed, and the remaining work is pending resolution of a conflict with an existing gas main.

An 8-inch high pressure gas main owned and operated by Texas Gas Service runs along the north side of Harris Branch Creek. During construction of the Boyce Lane Water Transmission Main Project, it was discovered that this gas line was not originally built in the location identified by Texas Gas Service and conflicted with the proposed alignment of the new water line. The proposed water line could not be installed as designed and contracted because of this conflict and safety considerations.

The Boyce Lane Water Transmission Main Project is currently on hold. The project team met with general contractor, Mountain Cascade LLC., to discuss design changes to install the 24-inch water transmission main. Options included lowering the depth of the water transmission main, considering other trenchless construction methods, having the gas main relocated and removing this scope of work from the construction contract. After review of all options and consideration of the associated costs, schedule and safety, it was determined the best path forward was to relocate the Texas Gas main and continue the installation of the water line as originally designed.

After the plan for moving forward was determined, the project team proceeded to negotiate with Mountain Cascade to change the trenchless construction method to a hand mining operation. The hand mining construction method will allow the abandoned gas main to be removed from the tunnel prior to the water line installation. The negotiation with Mountain Cascade, and resulting change order process, further contributed to the project delay.

The Boyce Lane Water Transmission Main contractor has completed all of the other portions of the project that can be accomplished at this time. Austin Water Utility cannot complete this project until the pipe is installed.

Chapter 252 of the Local Government Code requires that municipalities comply with procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of \$50,000 or more, unless the expenditure falls within an exemption listed in section 252.022. As the scope of work is related to gas utility services, the exemption relevant to this contract is "a procurement of items available from only one source" under subsection 252.022 (a) (7) (C). In order to relocate the gas main, new service pipes must be installed from Texas Gas Service's existing main, making Texas Gas Service the only source for the installation.

City Code exempts sole source contracts from the City's MBE/WBE Program; therefore no MBE/WBE goals were established for this contract.

This authorization will provide funding for the design and construction of the relocated gas line. Texas Gas Service will contract with their approved design firm and contractor to relocate the existing gas main out of the water line alignment, but still within the Texas Department of Transportation right of way. The work will be completed within 120 days of contract execution.

This project is located within zip code 78754. The project is managed by the Public Works Department.

Texas Gas Service is located in Austin, TX.

