

## A G E N D A



## Recommendation for Council Action (CCO)

Austin City Council		Item ID:	71629	Agenda Number	10.
Meeting Date:	June 22, 2017				
Department:	Capital Contracting Office				
Subject					
Authorize execution of a construction contract with PEABODY GENERAL CONTRACTORS, INC. for the 2017 Facilities and Force Main Services Indefinite Delivery/Indefinite Quantity project for an amount of \$5,000,000 for an initial 12-month term, with two one-year extension options of \$5,000,000 each, for a total contract amount not to exceed \$15,000,000.					
Amount and Source of Funding					
Funding in the amount of 5,000,000 is available in the Capital and/or Operating and Maintenance Budgets of the various departments requesting services. Funding for the extension options is contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal is not required.					
Purchasing Language:	One responsive bid received through a competitive Invitation for Bid solicitation.				
Prior Council Action:	N/A				
For More Information:	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov  NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Garrett Cox, 512-974-9423				
Boards and Commission Action:	June 14, 2017 - Recommended by the Water and Wastewater Commission on a vote of 10-0 with Commissioner Castleberry absent.				
Related Items:					
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				

	4.73% MBE and 2.14% WBE participation.
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Additional Backup Information	
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This contract provides emergency response services to repair or replace components of the Austin Water system due to failure or breakage; repair, replacement, or condition assessment of equipment and force mains; and support to operations staff on an as-needed basis. Components of the system could include equipment (both electrical and mechanical), instrumentation, controls, structures, coatings, storage tanks, blocked or deteriorated existing lines; collapsed manholes; gate, butterfly or plug valves, and valve bypass systems. The indefinite delivery/indefinite quantity contract documents include engineered and standard details and specifications, and estimated quantities of work anticipated under the contract.

Indefinite Delivery/Indefinite Quantity 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. Indefinite Delivery/Indefinite Quantity 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 given 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.

This contract will provide emergency, on-call responses as situations occur. While the locations of these repairs will not be known until an emergency occurs, public communication to the affected areas will be achieved through a combination of emails, mailings and a project website

The base bid was used to identify and determine the lowest responsive bidder and to determine contract unit prices for each bid item. The not-to-exceed contract amount of \$15,000,000 is the amount budgeted for this contract and Council authorization will allow Austin Water to issue work assignments up to the budgeted amount within the specified contract time.

This request allows for the award and execution of a construction contract with the recommended firm for an estimated period of one year with two possible one-year extensions. If funds for the initial term are expended before the term expires, staff may accelerate expenditure of funds allocated to an extension option. Extension options are subject to the mutual agreement of both parties.

The Capital Contracting Office conducted outreach to the contractors who attended the mandatory pre-bid meeting but chose not to submit a bid. The feedback received stated that:

- There were additional projects bidding same day
- Bidding for this project is time consuming/stressful
- Peabody was the previous low bidder for the same type of contract and they bid too low to compete with.
- Insufficient bonding capacity for a \$5mil project.
- They are not structured to man a crew on call 24/7 5 days a week

This work may be performed in any zip code and any Council district in the City. This project is managed by the Public Works Department.

Peabody General Contractors, Inc. is located in Dripping Springs, Texas.

Information on this solicitation is available on the City's Austin Finance Online website. Link: [Solicitation Documents](#).