



**Construction Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 32
AGENDA DATE: Thu 05/27/2004
PAGE: 1 of 3**

SUBJECT: Authorize execution of a construction contract with KM AND M JOINT VENTURE, Solon, OH, for the Austin Clean Water Program - Little Walnut - South Tunnel project in the amount of \$12,698,300 plus a \$1,269,830 contingency, for a total contract amount not to exceed \$13,968,130.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$13,968,130 is included in the Fiscal Year 2003-2004 Capital Budget of the Austin Water Utility.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Public Works
DEPARTMENT: for Austin Water Utility;

**DIRECTOR'S
AUTHORIZATION:** Sondra Creighton

FOR MORE INFORMATION CONTACT: Stan Evans, 479-1636; James King, 972-1589; Laura Bohl, 974-7064

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of three received.

MBE / WBE: 12.49% MBE and 6.81% WBE subcontractor participation.

The existing wastewater interceptor in the lower part of Little Walnut Creek can be overwhelmed by higher flows resulting in overflows. The ACWP will construct numerous projects in this basin, including three projects of parallel lines upstream of this requested project, which will divert flows from the upper part of the basin away from the existing line in the creek. This tunnel project will receive flows from those projects. It will construct 13,700 linear feet of 60-inch wastewater line, and greatly reduce potential for overflows by the existing interceptor in Little Walnut Creek. The proposed 60-inch line will also replace over 3,000 linear feet of older concrete line. All of the proposed pipe and structures are designed for long life and low maintenance. The wastewater improvements are part of the Austin Water Utility's Austin Clean Water Program (ACWP), which was developed to respond to the requirements of the Environmental Protection Agency's Administrative Order regarding Sanitary Sewer Overflows.

The project improvements include the installation of approximately 550 linear feet of tunnel for a 42-inch wastewater line located north of US 290 (that receives flow from the upstream projects), plus 9,500 linear feet of 60-inch line in a tunnel under Northeast Drive, from north of US 290 down to Springdale Road, and approximately 3,700 linear feet of 60-inch wastewater line, by open cut construction methods in undeveloped parkland south of Springdale Road. Existing water and wastewater service connections are not affected by this project. The work also includes the construction of approximately 3,400 linear feet of gravel trail in the undeveloped park at Springdale which will also serve as a maintenance access for wastewater crews. The tunnel under Northeast Drive will be at depths from 35 to 100 feet.

Due to the potential for unknown subsurface conditions and utility conflicts when constructing a tunnel and the associated system tie-ins, a 10% contingency in funding has been included to allow for the expeditious processing of any future change orders. The contract allows 670 calendar days for substantial



**Construction Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 32
AGENDA DATE: Thu 05/27/2004
PAGE: 2 of 3**

completion and 60 calendar days for final completion of this project.

Bid documents were distributed to 10 general contractors. Bids were opened on April 21, 2004. KM&M Joint Venture submitted the lowest of 3 bids received:

K M & M Joint Venture, Solon, Ohio	\$12,698,300.00
Seven K Construction Co., Wheeling, IL	\$13,486,675.00
Affholder, Inc., Chesterfield, MO	\$14,599,000.00

The contractor's choice of work methodology provides for 25 areas of subcontracting opportunities listed below. Project specific subgoals stated in the solicitation were 2.14% African American; 9.16% Hispanic; 0.6% Native/Asian American; 6.32% WBE. Total participation estimated on base bid amount of \$12,698,300.00:

NON M/WBE TOTAL – PRIME	\$6,006,856.00	47.31%
K M & M Joint Venture, Solon, Ohio	\$6,006,856.00	47.31%
MBE TOTAL – SUBCONTRACTORS	\$1,586,603.00	12.49%
African American Subtotal	\$273,173.00	2.15%
J.C. Hall Trucking, Austin, TX (hauling)	\$79,650.00	0.63%
J. Harper Construction Co, Inc., Austin, TX (site work, manhole construction, hauling)	193,523.00	1.52%
Hispanic Subtotal	\$1,236,705.00	9.74%
Benetiz Construction, Inc., Austin, TX (manholes)	\$1,236,705.00	9.74%
Native/Asian American Subtotal	\$76,725.00	0.60%
BenQuest, LLC, Austin, TX (fuel)	\$55,000.00	0.43%
Metalink Corp., Austin, TX (chain link fencing)	\$21,725.00	0.17%
WBE TOTAL – SUBCONTRACTORS	\$864,856.00	6.81%
AFS Environmental, Inc., Austin, TX (hydromulch)	\$32,874.00	0.25%
Arrow Oil Co., Austin, TX (fuel)	\$55,000.00	0.43%
MS Supply, Austin, TX (barricades)	\$85,800.00	0.67%
National Works, Inc., New Braunfels, TX (sewer construction)	\$1,870.00	0.01%
K. Fries & Assoc., Austin, TX (civil engineering, Constr. Mgmt.)	\$10,000.00	0.08%
Landmark Surveying, Inc., Austin, TX (surveying)	\$25,000.00	0.20%
Texas Road & Utilities, Inc., Buda, TX (tunnel, manholes)	\$150,000.00	1.18%
Core Resources, Cedar Park, TX. (secretarial services)	\$65,000.00	0.51%
Dougherty Sprague Enviro., Inc., Richardson, TX (boring)	\$37,500.00	0.30%
A-Okay Sign and Graphics, Austin, TX (traffic/safety signs)	\$500.00	0.004%
Conroe Wood Products, Inc., Conroe, TX (initial tunnel lining)	\$228,130.00	1.80%
Lone Star Ready Mix LP, Austin, TX (concrete)	\$55,172.00	0.43%
Central Texas Barricade, Inc., Bastrop, TX (barricades)	\$11,000.00	0.09%
Melendez Brothers Trucking, Austin, TX (hauling)	\$98,010.00	0.77%

RCA Serial#: 5266 Date: 05/27/04 Original: Yes

Published:

Disposition:

Adjusted version published:



**Construction Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 32
AGENDA DATE: Thu 05/27/2004
PAGE: 3 of 3**

White Photographic Services, Austin, TX (photographs)	\$9,000.00	0.07%
---	------------	-------

NON M/WBE TOTAL – SUBCONTRACTORS	\$4,239,985.00	33.39%
American Commercial, Inc., Bristol, VA (steel tunnel supports)	\$680,000.00	5.36%
Hobas Pipe USA, Houston, TX (fiberglass pipe)	\$2,825,540.00	22.25%
MGD Technologies, Inc., Dallas, TX (flow meter)	\$25,945.00	0.20%
PSI, Austin, TX (engineering)	\$20,900.00	0.16%
Slope Indicator, Mukileteo, WA (instrumentation)	\$14,800.00	0.12%
Pacific International Grout, Bellingham, WA	\$672,800.00	5.30%

The Contractor submitted a MBE/WBE Compliance Plan that achieved the established sub-goals, and was approved by the Department of Small & Minority Business Resources. Second and third low bidder information is provided.

SECOND BIDDER – Seven K Construction Co., \$13,486,975.00 – Not Evaluated
53.61% Non M/WBE prime participation; 2.28% MB; 9.25% MH; 0.61% NA; 6.97% WBE; 27.28% Non M/WBE subcontractor participation.

THIRD BIDDER – Affholder, Inc., \$14,599,000.00 – Not Evaluated
73.78% Non M/WBE prime participation; 2.23% MB; 12.77% MH; 0.65% NA; 6.60% WBE; 3.97% Non M/WBE subcontractor participation.

CIP FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

5/27/2004
Resolution
Austin Water Utility

DESCRIPTION:

Authorize execution of a construction contract with KM AND M JOINT VENTURE, Solon, OH, for the Austin Clean Water Program - Little Walnut - South Tunnel project in the amount of \$12,698,300 plus a \$1,269,830 contingency, for a total contract amount not to exceed \$13,968,130.

FINANCIAL INFORMATION:

Parent Project Name:	Wastewater Unfunded Future
Project Authorization:	2003-04 Approved Capital Budget
Funding Source:	Commercial Paper
Number:	4570 237 2017

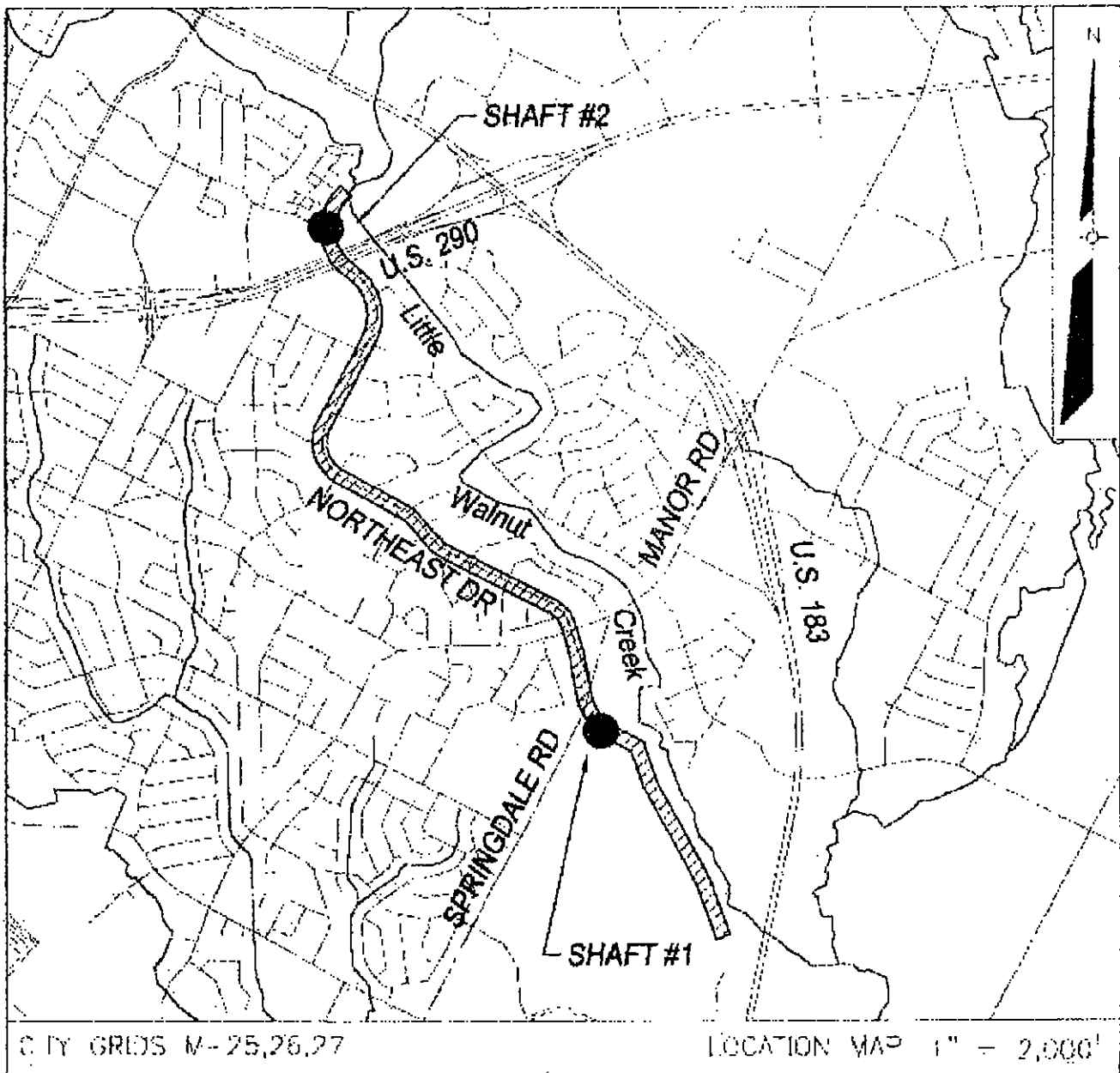
Current Appropriation	\$ 410,907,293.00
Unencumbered Balance	175,683,893.50 *
Amount of This Action	<u>(13,968,130.00)</u>
Remaining Balance	<u>\$ 161,715,763.50</u>
 Current Available Balance	 \$ 185,983,586.88
Less Outstanding Commitments	<u>(10,299,693.38)</u>
Estimated Unencumbered Balance	<u>\$ 175,683,893.50 *</u>

Utility Finance: _____


David Anders, Utilities Finance Manager

Date: 5/6/04

REF. #4570 237 8580



**AUSTIN CLEAN WATER PROGRAM
LITTLE WALNUT - SOUTH
C.I.P. NO. 4570-237-8580**

PROJECT LOCATION MAP