

AGENDA



Thursday, September 23, 2010

**Contract and Land Management
RECOMMENDATION FOR COUNCIL ACTION****Item No. 18**

Subject: Authorize execution of a construction contract with Peabody General Contractors (WBE/FW 77.83%), Dripping Springs, TX for Wastewater Line Relay and Spot Repair Indefinite Delivery/Indefinite Quantity for a total contract amount not to exceed \$11,492,441.90 over a three year period.

Amount and Source of Funding: Funding in the amount of \$3,645,501 is available in the Fiscal Year 2009-2010 Capital Budget of the Austin Water Utility. Funding for the extension options are contingent upon available funding in future budgets.

Fiscal Note: A fiscal note is attached.

For More Information: Mike Russ, 703-6641; Monica Lopez, 974-7057; Sarah Terry, 974-7141.

Purchasing Language: Lowest bid of 5 bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9A of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 8.98% MBE subcontractor participation and 77.83% WBE prime and 2.39% WBE subcontractor participation.

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

This service contract provides for both planned projects and emergency work to make spot repairs and relay segments of the wastewater collection system. The typical improvements constructed using this contract range from the installation of manholes to removing defective pipe and installing new PVC pipe. The contractor's efforts supplement the capability of Austin Water crews. The project was bid as a service contract with numerous bid items to accommodate the anticipated work. The bid documents did not include plans because the work locations are unknown at this time.

The contract term is for an initial 12-month period with two 12-month extensions possible, for a total contract duration of 36 months. The first year amount is \$3,645,501, the second year amount is \$3,827,776.05, the third year amount is \$4,019,164.85 for a total contract amount of \$11,492,441.90. The bid also includes an allowance of \$292,500 for mobilizations to small and large project locations.

The bid prices are fixed for the first 12 months and in the case of contract renewal(s), the bid prices may increase a maximum of 5.0% over the prices for the previous year if the justification for the price increase is deemed adequate. Funding for 5.0% price increases for the second and third years of the contract are included in this request. No funding for change orders is being requested.

The work performed using this contract will be within the service area of the Austin Water Utility.