Recommendation for Action

File #: 21-3535, Agenda Item #: 25.  12/9/2021

Posting Language
Authorize award and execution of a construction contract with Austin Underground, Inc. (MBE), for the Polybutylene Water Services Replacement Program project in the amount of $8,640,295.00 plus a $864,029.50 contingency, for a total contract amount not to exceed $9,504,324.50.

[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 99.27% MBE and 0.72% WBE participation.]

Lead Department
Financial Services Department

Managing Department
Public Works Department

Fiscal Note
Funding is available in the Fiscal Year 2021-2022 Capital Budget of Austin Water.

Purchasing Language:
Lowest responsive bid of four bids received through a competitive Invitation for Bids solicitation.

For More Information:
Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749, Garrett Cox, 512-974-9423, or the Project Manager, Robert Hermosillo, 512-974-5634.

Council Committee, Boards and Commission Action:
December 1, 2021 - Recommended by the Water and Wastewater Commission on a 6-0 vote with Commissioners Castleberry, Atallah, Turrieta and Moriarty absent.

Additional Backup Information:
Austin Water's distribution system is large and complex, consisting of approximately 3,900 miles of water mains and serving approximately one million customers. Distribution system assets require ongoing repair and replacement to prevent leaks and loss of valuable treated water because of deterioration due to environmental conditions and aging.

Water service lines made of polybutylene or polyethylene fail at a much higher rate compared to other materials such as copper or high-density polyethylene. Additionally, failure rates for polybutylene or polyethylene pipes increase at higher pressures. The cost of proactively replacing a service as part of a construction contract is about 30% less than the cost to reactively repair or replace using Austin Water’s distribution system maintenance (DSM) crews. Proactive service line replacement also results in less water loss and fewer unscheduled customer service outages. Since 2001, Austin Water has been proactively replacing polybutylene and polyethylene services in areas of high static pressure using both internal forces.
and contractor resources.

Under the Polybutylene Water Services Replacement Program project, approximately 2,200 polybutylene and polyethylene water services with pressures exceeding 105 pounds per square inch will be replaced with copper services in 62 subdivisions. Many of these services have previously experienced one or more breaks with subsequent repair by DSM crews.

This item includes an allowance of $50,000 that will be used to address private plumbing repairs. An allowance is an amount that is specified and included in the construction contract or specifications for a certain item(s) of work whose details are not yet determined at the time of bidding.

Due to the potential for unforeseen conditions and unknown utility conflicts, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project. By authorizing the additional contingency funding, Council is authorizing any change orders within the contingency amount.

Construction activity will be primarily within City right-of-way. During construction, temporary lane closures will be in effect on streets where water service lines are replaced. The project proposes lane closures and/or detours during off-peak traffic hours. The contractor will install appropriate traffic detour signs and barricades to direct traffic. The contractor will work to ensure that residents have access to their driveways. If access cannot be maintained, written notice of limited access will be provided to the affected property owner(s) at least 24 hours in advance.

In addition, there will be planned temporary water service interruptions, primarily during pipeline tie-in and service reconnection. Residents will be notified at least 48 hours in advance of planned service interruptions.

This construction contract is time sensitive and is a critical component of maintenance and repair to the water distribution system. Delay or deferral of this contract will have a negative effect on infrastructure stability and increase the risk of lost treated water.

The contract allows 608 working days for completion of this project. This project is located within zip codes 78617, 78704, 78730, 78731, 78736, 78737, 78741, 78745, 78746, 78748, 78749, 78750, 78754 and 78759 (Districts 3, 5, 6, 8 and 10).

Austin Underground, Inc. (MBE/MH) is located in Lago Vista, Texas.

**Strategic Outcome(s):**
Health and Environment