



City of Galveston

DEPARTMENT OF PUBLIC WORKS

Angelo Grasso, Director of Municipal Utilities
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April 15, 2019

To: Brian Maxwell, City Manager
Honorable Mayor and City Council Members

From: Angelo Grasso, Director of Municipal Utilities

Re: City Council to consider awarding the contract on the Annual Sanitary Sewer and Force Main Rehabilitation Project (RFP 19-14) to T Con Construction, LLC for an amount not to exceed \$1,400,000.00. Authorizing the City Manager to execute all necessary documents upon final approval by the City Attorney.

1. **Background:**

- A. The City of Galveston has an aging sanitary sewer infrastructure that requires repair and replacement of the gravity sanitary sewer and force main sewer system. The rehabilitation of gravity sanitary sewer and force main systems is a vital part of maintaining sewer infrastructure.
- B. This is an approved Capital Improvement Project. The aging sanitary sewer system is responsible for inflow and infiltration which causes excessive flows to the wastewater treatment plants. \$1,300,000.00 in Sanitary Sewer Capital Improvements funds was allocated for sanitary sewer and force main rehabilitation.
- C. Because of recent history where storm sewer work was needed in conjunction with sanitary sewer work, storm sewer bid items were included in the annual bid proposal. As part of this project, if storm sewer work is needed, a funding source not to exceed \$100,000.00 will come out of the Drainage Capital Improvement funds.
- D. The inspector for this project will be paid out of the Capital Improvement Plan for the Sanitary Sewer and Drainage Program fund. His time will be allocated to the current budget with the activity code assigned to this project.

2. **Current Situation:**

- A. The City of Galveston advertised for an annual Request for Proposal (RFP) on the Sanitary Sewer and Force Main Rehabilitation contract. This Request for Proposal contract has approximately 552 bid items related to sanitary sewer or storm sewer related work including cure in place, pipe bursting and open cut methods of rehabilitating the City's sanitary sewer, force main and storm sewer infrastructure.
- B. Sealed Request for Proposals (RFP) for the annual Sanitary Sewer and Force Main Rehabilitation contract were opened on March 18, 2019 at 2:00 PM.





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C. Horseshoe Construction, Inc., PM Construction & Rehab, LLC and T Construction, LLC submitted proposals to the City of Galveston. Bid tabulations were compared and scored by a 3-person scoring committee. The following was the average score for each contractor determined by the committee:

	Avg. Score
T Con Construction, LLC	530
PM Con Construction, LLC	325
Horseshow Construction, Inc.	323

T Construction, LLC received the highest score from the committee.

3. Term of Contract and Option to Extend:

A. The proposed Annual Sanitary Sewer and Force Main Rehabilitation contract shall be effective for a one (1) year period of time upon execution by the City of Galveston. The City anticipates that the contract shall be renewed pursuant to the availability of funds and at the discretion of the City. The following clauses shall be included in the contract:

- Option Clause: It is agreed that the City will have the option to extend the contract for up to (4) four additional one-year terms. To exercise this option, the City shall serve notice 30 days prior to contract termination or to the end of any extension. The Option to Extend will not be considered if funding is not available or if the contractor’s past performance is not within the industry standard.
- Escalation Clause: Should market conditions prevail which dictate an increase, there will be an escalation clause in the contract that the successful contractor may submit documentation requesting permission to increase pricing no later than 30 days after receiving notice from the City of its intent to extend the agreement.

4. Issues:

- A. Cost: \$1,400,000.00
- B. Timing: Upon City Council Approval.
- C. Impact: Sanitary sewer and force main rehabilitation will reduce inflow and infiltration issues and help prevent environmental concerns.





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5. Recommendations:

A. City Council to approve awarding the Request for Proposal on the Annual Sanitary Sewer and Force Main Rehabilitation Project (RFP 19-14) to T Construction, LLC for an amount not to exceed \$1,400,000.00.

B. Fiscal Impact Report:

Requested by: Angelo Grasso, Director of Municipal Utilities

Funding Source \$1,300,000.00 from the City of Galveston Capital Improvement Plan for the Sewer Program fund
\$100,000.00 from the City of Galveston Capital Improvement Plan for the Drainage Program fund

Cost:	Sanitary Sewer Rehabilitation Cost =	\$1,270,000.00
	Sanitary Sewer Inspection Cost =	\$ 30,000.00
	Storm Sewer Rehabilitation Cost =	\$ 98,000.00
	Storm Sewer Inspection Cost =	\$ 2,000.00
	<u>Total Cost of Implementation=</u>	<u>\$1,400,000.00</u>

Respectfully Submitted,

Forwarded for Approval,

Angelo Grasso
Director of Municipal Utilities

Brandon Cook, Assistant City Manager
of Development and Municipal Services

