



City of Pflugerville

Legislation Text

File #: 2023-1103, **Version:** 1

Discuss and consider action to approve a construction contract with PLW Waterworks in the amount of \$35,492,185 for construction services associated with the Wilbarger Creek Regional Wastewater Treatment Facility, and authorize the City Manager to execute the same.

The Wilbarger Creek Regional Wastewater Treatment Facility (WCRWWTF) phase 1 Project will expand water resources to maintain the highest level of service and quality of life to City of Pflugerville residents with the construction of a 6.0 MGD wastewater treatment plant on a 158-acre site and decommissioning of the existing Weiss Lane Lift Station. Design of the project began in November 2020 with the award of the Garver contract and was completed in December 2022. In September 2022, January 2023, and March 2023, Council approved early procurement of long lead equipment. In May 2023, Council Awarded the Pre-Construction Services Contract for the Construction Manager At Risk (CMAR) to PLW Waterworks (PLW).

The current CMAR contract with PLW includes Pre-Construction Services in the amount of \$1,502,344 covering the activities conducted for design optimization, constructability reviews and cost estimating for the entire project. Working with the CMAR, the City of Pflugerville Team (City Team) consisting of City staff, Garver - Engineer of Record (EOR), STV - City's Owner's Advisor (OA), and Ardurra - City's Construction Management Consultant (CM) determined that the optimal strategy to move the project forward as efficiently as possible without disrupting the Guaranteed Maximum Price (GMP) Proposal process was the development of several Early Work Packages (EWP) and separate the GMP into two deliverables.

- GMP1 - Early Work Packages
- GMP2 - Balance of Plant Packages

GMP1 for the EWP is presented here for consideration and award as Amendment 1 to the CMAR contract for construction of the WCRWWTF. The cost of EWP will be a component of the overall project GMP and not in addition to. GMP1 will focus on establishment of resources required in the General Conditions of the Contract and as described in more detail below.

- EWP1 - Owner Pre-Negotiated Equipment Procurement
- EWP2 - Major Process Equipment Procurement
- EWP3 - Site Establishment
- EWP4 - Drilled Piers Procurement & Installation

The benefit of this approach is three-fold:

1. The reduction of unknowns inherent in a project
2. The early accomplishment of select site and contractor mobilization activities outside of the schedule for construction makes productive use of the time.
3. The advanced procurement of equipment with long lead times to reduce the impact of the global supply chain issues and market volatility.

Reduction of unknown conditions and early start of field work reduces the chance of major delays to the schedule and the commensurate cost increases, typically understood as “Risks”. GMP1 will reduce risk for future construction phases thereby reducing the risk factor in the bids for the work that comprise the GMP2 for the balance of plant work.

The majority of the work in GMP1 is equipment procurement, site establishment focused on removal of surface soils unsuitable for construction, preliminary grading and drainage of the site and installation of access for follow-up work forces and materials to the site as well as installation of drilled pier foundations of most structures. The balance of GMP1 is providing for the General Conditions requirements of the contract for the project. The CMAR's advertisement and bid procedures meet the Texas Water Development Board's (TWDB) funding requirements to ensure the City can continue to take advantage of low-interest loans provided by the TWDB. The logistics costs for GMP1 that are typically included in General Conditions have been provided as a cost reimbursable allowance so that the costs charged are the costs directly paid by the City.

The CMAR has used a pre-approved notification/ advertisement for qualifications from interested parties to secure a list of qualified subcontractors and vendors for work not self-performed by PLW. Individual subcontractor bid packages went out with a response date in late August. All bid packages were released to pre-qualified bidders. The bids have been received, reviewed and tabulated by the CMAR, the CMAR provided recommendations for acceptance based on meeting both pricing requirements and contractor qualifications which have been reviewed and approved by the City Team, the City Team submitted the bid documents to TWDB for review and concurrence and await approval from Council prior to the issuance of a Notice to Proceed. Any work that will be self-performed by the CMAR must be the most competitively priced or negotiated to match lowest qualified subcontractor price. In order to be prepared to move forward as quickly as possible the CMAR has provided a Guaranteed Maximum Price (GMP) for the work contained in GMP1 broken out as follows:

General Conditions pricing after bids was determined to total to \$ 2,028,051
Total Allowance was determined to be \$ 1,703,550
Total cost of work is \$ 29,806,635.69
The CMAR's Fee at 9% is \$ 3,472,245.87
Bonds and Insurance based on total project cost is \$1,106,651.46
TOTAL ADDITIONAL COST to be approved by Council for GMP1 Cost is \$35,492,184.49
Previously authorized amounts for this project include CMAR Pre-Construction Phase Services and Pre-Purchase of Equipment, totaling \$10,276,218.00 are also included, resulting in an updated contract total of \$45,768,402.48.

Per the contract, any and all surplus funds within the GMP will be returned to the project. While the bid process has been approved, the Bid Results must still be approved by TWDB prior to the issuance of a Notice to Proceed (NTP). Depending on the time required for TWDB to review and approve the bid results the NTP could be issued as early as December.

The TWDB review is anticipated to require approximately four weeks. Upon TWDB approval, the City will then issue the CMAR a Notice to Proceed, the CMAR will issue and sign purchase orders and subcontracts with the selected proposers and work onsite could begin as early as early February. The CMAR expects to have GMP2 for the balance of plant work submitted by May 2024 so that the

major construction package work will begin prior to completion of these early work preparations. Based on the actual GMP1 costs included in this item and estimated costs for GMP2 (anticipated May 2024), the anticipated total cost of the WCRWWTF project is expected to be approximately \$243M.

This GMP supports several of the City of Pflugerville's Strategic Goals, but most notably reinforces the City's commitment to providing robust and resilient infrastructure that maintains operability at all times. The Wilbarger Regional Wastewater Treatment Facility will support the City's progress in preparing the City's wastewater infrastructure for the continued growth of the eastern areas of the City's wastewater CCN and will do so in a responsible manner that reduces the City's long-term risks in providing wastewater treatment services to the growing population of Pflugerville. The Wilbarger Regional Wastewater Treatment Facility will also allow the economic development of the eastern areas of Pflugerville by allowing development to continue in these areas that will contribute to the overall economic vitality of the City as a whole.

Prior City Council Action

On February 11, 2020, City Council approved a Professional Services Agreement with CP&Y, Inc. in the amount of \$479,944 for Owner's Representative services associated with the Wilbarger Creek Regional Wastewater Treatment Facility.

On September 22, 2020, Council approved selection of Garver for professional services associated with the Wilbarger Creek Regional Wastewater Treatment Facility Project.

On October 27, 2020, Council approved a professional services agreement in the amount of \$1,650,192 with Garver for the conceptual design of the Wilbarger Creek Regional Wastewater Treatment Facility Project.

On June 22, 2021, Council approved a professional services supplemental agreement with CP&Y, Inc. in the amount of \$1,407,592 for Owner's Representative services for preliminary design, final design and bid phase services for the Wilbarger Creek Regional Wastewater Treatment Facility Project.

On June 22, 2021, Council approved a professional services supplemental agreement with Garver in the amount of \$7,896,181 for preliminary design, final design and bid phase services for the Wilbarger Creek Regional Wastewater Treatment Facility Project.

On July 12th, 2022, Council approved a resolution authorizing the use of the Competitive Sealed Proposal (CSP) procurement method for the Wilbarger Creek Regional Wastewater Treatment Facility (WCRWWTF) Project, including the Pre-Selection of vendors for major treatment process equipment.

On September 27th, 2022, City Council awarded a pre-procurement contract to Trojan Technologies for the supply of UV Disinfection Equipment for the WCRWWTF in the amount of \$655,520.

On January 10th, 2022, City Council awarded a pre-procurement contract to T. Morales Company Electrical and Controls, Ltd. to supply Electrical Equipment for the WCRWWTF in the amount of \$7,106,645.

On March 14, 2023, City Council awarded a pre-procurement contract with Alterman, Inc. to supply Generator Equipment for the WCRWWTF in the amount of \$1,667,229.

On March 14, 2023, City Council awarded a professional services supplemental agreement with CP&Y, Inc. in the amount of \$2,187,985 to provide Owner's Representative Pre-Construction Construction Phase Services for the Wilbarger Regional Wastewater Treatment Facility.

On April 14, 2023, City Council awarded a Construction Manager at Risk contract with PLW Waterworks, LLC. in the amount of \$1,502,344 for the Construction Manager at Risk - Wilbarger Creek Regional Wastewater Treatment Facility (WCRWWTF) Project Phase 1 Construction.

Deadline for City Council Action

November 14, 2023

Funding Expected: Revenue Expenditure N/A

Budgeted Item: Yes No N/A

Amount: \$35,492,185

1295 Form Required? Yes No

Legal Review Required: N/A Required Date Completed: 10/18/23

Supporting documents attached:

GMP # 1 Letter of Recommendation

GMP # 1 Bid Documents

Total Project Estimate - November 2023

Recommended Action

Staff recommends approving a construction contract with PLW Waterworks in the amount of \$35,492,185 for construction services associated with the Wilbarger Creek Regional Wastewater Treatment Facility, and authorize the City Manager to execute the same.