



DATA SHEET
Agenda No. 11.

Meeting Date: October 4, 2018

Agenda Item:

Consider award of contract to Texas Standard Construction, Ltd. for construction of Phase 2 of pipeline modifications and relocations as a result of TxDOT roadway improvements along FM 720.

Placement: <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Individual Consideration <input type="checkbox"/> Executive Session
Vote: <input type="checkbox"/> Non-Weighted <input checked="" type="checkbox"/> Weighted Capital
Recommending Department: Engineering

Background:

At the August 2018 meeting, the Board authorized advertising for construction bids related to the second phase of water transmission main relocations required as a result of Texas Department of Transportation's (TxDOT) roadway improvements along FM 720 from Martop Rd to US 380.

In an effort to accommodate TxDOT's schedule and to minimize potential impacts to customers, the District split the relocation work along FM 720 into two phases. The First phase, currently under construction, consisted of lowering two treated water pipelines near Temple Dane Pump Station, adding additional encasement and installing the fittings and valves necessary for connecting to the future (second phase) relocated segments of District's 36-inch pipelines. The Second phase consists of installing approximately 500-feet each of two 36-inch water transmission pipelines that run parallel to FM 720, and will be overtaken by new TxDOT road right-of-way. These relocated lines will be connected to the fittings installed as part of phase one.

Bids were opened on September 11th, with three contractors bidding. Joe Funk Construction, Inc. was the apparent low bidder. District engineer, Huitt-Zollars, Inc., and staff have reviewed the bids and references and determined that the bid of Joe Funk Construction, Inc. was not responsive and therefore not in the best interest of the District. Additional information regarding this determination will be provided at the meeting.

Texas Standard Construction Ltd. was the apparent second low bidder with a bid in the amount of \$2,800,663.00. Below is the list of bidders.

CONTRACTOR	BASE BID
Joe Funk Construction, Inc.	\$2,766,442.90
Texas Standard Construction Ltd.	\$2,800,663.00
Atkins Brother's Equipment Co., Inc.	\$2,971,093.00
Engineer's Estimate	\$2,854,567.64

Staff and District's engineer have reviewed the bids and qualifications and recommend awarding the construction contract to Texas Standard Construction, Ltd.

Financial:

Sufficient funds are available in the FY 2019 Capital Budget and identified as project number 57T.

Recommendation:

Staff recommends awarding construction contract for Phase 2 of modifications and relocations of treated water transmission pipelines along FM 720 to Texas Standard Construction, Ltd. in the amount of \$2,800,663.00.

Enclosures:

Proposed Resolution with Engineer's Recommendation.

Submitted By:



Kurt Staller, Assistant Director Engineering and Construction

Date Submitted: September 28, 2018



RESOLUTION

RESOLUTION # 2018- _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT AWARDING A CONTRACT TO TEXAS STANDARD CONSTRUCTION, LTD. FOR WATER MAIN RELOCATIONS AND MODIFICATIONS ALONG FM 720.

WHEREAS, Upper Trinity Regional Water District (District), is a political subdivision of the State created by the Texas Legislature in 1989 by the passage of HB 3112 Chapter 1053, Acts of the 71st Legislature of Texas Regular Session 1989 (the Act), as a conservation and reclamation district under Article 16 Section 59 of the Texas Constitution; and,

WHEREAS, District has proceeded to carry out its legislative purposes of establishing water and wastewater systems on a wholesale regional basis for Denton County and its environs, for members and other entities who provide utility services on a retail basis; and,

WHEREAS, District has the power conferred by Chapter 54 of the Texas Water Code and the Act to enable it to carry out its purposes; and,

WHEREAS, the Act provides legal authority for District to acquire, construct, improve, maintain and operate wholesale water and wastewater systems and treatment works necessary to provide such services to its customers; and,

WHEREAS, District's Board of Directors consists of individual representatives appointed by towns, cities and utilities plus Denton County; and

WHEREAS, Board of Directors desire to have District transmission water main relocations and modifications completed as soon as possible; and,

WHEREAS, the engineering firm of Huitt-Zollars, Inc. was retained to prepare the necessary engineering plans, to draft bid and contract documents and to take the necessary steps, including advertising, to receive bids for the construction of Water Main Relocations and Modifications Along FM 720; and,

WHEREAS, District received bids on September 11, 2018, with three bids being submitted; and,

WHEREAS, Joe Funk Construction, Inc. submitted the apparent low bid in the amount of \$2,766,442.90; and,

WHEREAS, Joe Funk Construction, Inc. provided references and qualifications; and,

WHEREAS, Huitt-Zollars, Inc., District staff and this Board of Directors evaluated said references and qualifications; and,

WHEREAS, after careful evaluation the bid of Joe Funk Construction, Inc. is found to be not responsive and not in the best interest of the District; and,

WHEREAS, Texas Standard Construction, Ltd. provided references and qualifications; and,

WHEREAS, after careful evaluation it was found that Texas Standard Construction, Ltd. submitted the lowest most responsible bid in the amount of \$2,800,663.00; and,

WHEREAS, District's engineer, Huitt-Zollars, Inc., District staff and this Board have reviewed a tabulation of the bids and have concluded that the contract should be awarded to Texas Standard Construction, Ltd., as Texas Standard Construction, Ltd. is a responsible company, who submitted a responsive bid that is advantageous to District and will result in the best and most economical and timely completion of District's proposed project; and,

WHEREAS, District complied with Section 49.273 title 4 of the Texas Water Code in advertising for the bids and awarding the contract and other relevant and applicable laws, rules, regulations and requirements; and,

WHEREAS, it is deemed by the Board to be in the best interest of the District to award a contract to Texas Standard Construction, Ltd., the low responsive/responsible bidder of three bidders in the amount of \$2,800,663.00; and,

WHEREAS, the contract bid documents stated that the District reserved the right to reject any or all bids; and,

WHEREAS, District desires to reject all of the bids except that of Texas Standard, Ltd. Construction, Ltd. on the basis that it would not be in the best interest of District to award the contract to any bidder except Texas Standard Construction, Ltd. as the other bidders are too costly, non-responsive, or not responsible; and,

WHEREAS, District has concluded that Texas Standard Construction, Ltd.'s bid was responsive and in substantial compliance with the bid specifications and documents, that Joe Funk Construction, Inc. has complied with and agrees to comply with all bid specifications and drawings; and,

WHEREAS, no bidder or potential bidder was placed in any disadvantageous position and Texas Standard Construction, Ltd. was not given any advantage whatsoever in regard to compliance with the bid specifications; and,

WHEREAS, timing is critical in the awarding, commencement and completion of the subject contract and any delay would be both costly and potentially harmful to District and to the public.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT:

SECTION 1. That all matters stated in the preamble are found to be true and correct and are incorporated into the body of this resolution as if copied in their entirety.

SECTION 2. That the President of the Board of Directors be and is hereby authorized to enter into the contract with Texas Standard Construction, Ltd. for Water Main Relocations and Modifications Along FM 720.



SECTION 3. That the Executive Director be and is hereby authorized to sign other documents necessary for the successful execution of the contract.

SECTION 4. That the Executive Director be and is hereby authorized to pay the amount of \$2,800,663.00 as the work progresses.

SECTION 5. That this Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 4TH DAY OF October 2018.

Recommended: *Larry N. Patterson*
Larry N. Patterson, Executive Director

Executed: _____
Kevin Mercer, President

Attest: _____
Mike Fairfield, Secretary

Attachment: Engineer's Recommendation Letter with Bid Tabulation



September 27, 2018

Mr. Kurt J. Staller, P.E.
Upper Trinity Regional Water District
900 N. Kealy Street
Lewisville, TX 75067

RE: Proposed Water Main Relocations & Modifications along FM 720 (Phase 2)

Dear Mr. Staller:

We have tabulated the bids for the Water Main Relocation project that were received on September 11, 2018.

1. The apparent low bid was received from Joe Funk Construction, Inc. (JFC) in the amount of \$2,766,442.90. In tabulating the bids, this amount was confirmed.
2. The second lowest bid was received from Texas Standard Construction, Ltd. (TSC) in the amount of \$2,800,663.00. In tabulating the bids, this amount was confirmed.
3. The third lowest bid was received from Atkins Bothers Equipment Co., Inc. (ABE) in the amount of \$2,971,093.00. In tabulating the bids, this amount was confirmed.

According to Section 21.3 in the "Instructions to Bidders" (found on page 19 of the Proposal and Contract Requirements):

21.3 Owner reserves the right to reject any or all Proposals, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Proposals. Owner further reserves the right to reject the Proposal of any Bidder whom it finds, after reasonable inquiry and evaluation, to not be responsible. Owner may also reject the Proposal of any Bidder if Owner believes that it would not be in the best interest of the Project to make an award to that Bidder. To the extent permitted by applicable law, the Owner reserves the right to reject any Bidder who has, within the last twelve months, made demands or claims against the City, or who is currently, or within the last twelve months, in litigation with the Owner. Owner also reserves the right to waive all informalities not involving price, time, or changes in the Work and to negotiate contract terms with the Successful Bidder.

On page 40 of the Proposal and Contract Requirements (sheet 1 of 3 of the Proposal Form), it is stated that the price for Mobilization and Bonds cannot be more than 5% of the total bid price. 5% of JFC's total bid is \$138,322.15, which is less than the unit price of \$156,000.00 submitted by JFC for Mobilization and Bonds. This constitutes a nonresponsive bid.

References provided by JFC did not verify previous experience installing large diameter (36-inch or larger) pressure pipelines.

Based on conversations with UTRWD, it is our understanding that it will be recommended to the Board of Directors that UTRWD reject Joe Funk Construction, Inc.'s proposal in accordance with Article 21.3 listed above. Huitt-Zollars concurs with that recommendation.

TSC provided 107 projects as contract references. We inquired on about 10% of these projects, all of which are either ongoing or have been completed within the last 5 years. TSC has not installed 36" ductile iron or steel pipe, but they have lowered about 200 linear feet of a 66" bar-wrapped concrete pipe, and installed up to 30" bar-wrapped concrete pipe in the City of Dallas. They also own construction equipment that would be required to do the work.

ABE provided projects as references that fell in line with the work required by this contract. ABE is also currently working on Phase 1 of this project, and has done satisfactory work. However, their bid is higher, and seems a bit less balanced, than TSC's bid.

Both TSC and ABE have done and are continuing to do quality construction work in the DFW Metroplex and appear to be qualified to do the work required for this project. We recommend that the contract for the Water Main Relocations & Modifications along FM 720 (Phase 2) be awarded to the 2nd lowest bidder, Texas Standard Construction, Ltd. In the event the contract is not awarded to Texas Standard Construction, Ltd., we would recommend that the contract be awarded to the third lowest bidder, Atkins Brothers Equipment Co., Inc.

Sincerely,

HUITT-ZOLLARS, INC.



Katie D. McCarty, PE
Associate