



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

District B

Item Creation Date: 2/14/2017

20DD01 Contract Award / McKinney Construction, Inc.

Agenda Item#:

Summary:

An Ordinance appropriating the sum of \$2,761,600.00 out of the water and sewer system consolidated construction fund, awarding a contract to McKinney Construction, Inc. for Water Line Replacement in Imperial Valley Area Package II; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering, testing, CIP cost recovery, and contingencies relating to construction of facilities financed by the water and sewer system consolidated construction fund; and declaring an emergency.

Background:

SUBJECT: Contract Award for Water Line Replacement in Imperial Valley Area Package II.
WBS No. S-000035-0197-4.

RECOMMENDATION: (SUMMARY)

Accept low bid, award construction contract and appropriate funds.

PROJECT NOTICE/JUSTIFICATION: This project is part of the City's Water Line Replacement Program. This program is required to replace and upgrade water lines within the City to increase availability of water, improve circulation and provide improved fire protection.

DESCRIPTION/SCOPE: This project consists of replacement of approximately 31,805 linear feet of water lines (8,900 linear feet of 12-inch water lines, 21,835 linear feet of 8-inch water lines, 830 linear feet of 6-inch water lines and 240 linear feet of 4-inch water lines) and construction of service lines, fire hydrants, valves, fittings, connections, and other appurtenances.
The Contract duration for this project is 312 calendar days. This project was designed by Texas American Engineering, LLC.

LOCATION: The project area is generally bound by Coach Lamp Lane on the north, Dogwood Tree Street on the south, La Jolla Lane on the east, and Airline Drive on the west. The project is located in Key Map Grids 372Z, 373W, 412D and 413A.

BIDS: This project was advertised for bidding on October 14, 2016. Bids were received on December 01, 2016. The ten (10) bids are as follows:

<u>Bidder</u>	<u>Bid Amount</u>
1. McKinney Construction, Inc.	\$2,398,713.00
2. Vaca Underground Utilities, Inc.	\$2,417,323.00
3. DL Elliott Enterprises, Inc.	\$2,477,581.40
4. Grava LLC.	\$2,504,534.27
5. DCE Construction, Inc.	\$2,568,246.34
6. Resicom, Inc.	\$2,583,776.55
7. Scohil Construction Services,	\$2,679,793.00
8. LLC.	\$2,713,466.00
9. Statewide Services, Inc.	\$2,729,074.34
10. Tikon Group, Inc.	\$2,878,962.80
MMG Contractors, LLC.	

AWARD: It is recommended that this construction contract be awarded to McKinney Construction, Inc. with a low bid of \$2,398,713.00 and that Addenda Numbers 1 and 2 be made a part of this Contract.

PROJECT COST: The total cost of this project is \$2,761,600.00 to be appropriated as follows:

• Bid Amount	\$2,398,713.00
• Contingencies	\$119,935.65
• Engineering and Testing Services	\$75,000.00
• CIP Cost Recovery	\$167,951.35

Engineering and Testing Services will be provided by HTS, Inc. under a previously approved contract.

Construction Management Services will be provided by the City.

HIRE HOUSTON FIRST: The proposed contract requires compliance with the City's 'Hire Houston First' (HHF) ordinance that promotes economic opportunity for Houston business and supports job creation. In this case, McKinney Construction, Inc. is a designated HHF company, but they were the successful awardee without application of the HHF preference.

PAY OR PLAY PROGRAM: The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, the Contractor provides health benefits to eligible employees in compliance with City policy.

M/WSBE PARTICIPATION: The contractor has submitted the following proposed program to satisfy the 12 % MBE goal and 8 % WBE goal for this project.

<u>MBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1. Miranda Trucking & Services, Inc.	Trucking Service	\$47,974.26	2.00%
2. D&D Underground Utilities, LLC	Utility Construction Service	\$191,897.04	8.00%
3. Texas Fluid Power Products, Inc.	Plumbing and Heating Equipment	\$47,974.26	2.00%
TOTAL		\$287,845.56	12.00%
<u>WBE - Name of Firms</u>	<u>Work Description</u>	<u>Amount</u>	<u>% of Contract</u>
1. Bevco Company, Inc.	Plumbing and Heating Equipment	<u>\$191,897.04</u>	<u>8.00%</u>
TOTAL		\$191,897.04	8.00%

ESTIMATED FISCAL OPERATING IMPACT:

No significant Fiscal Operating impact is anticipated as a result of this project.

All known rights-of-way, easements and/or right-of-entry required for the project have been acquired.

All known third party private utilities have been relocated.



Karun Sreerama, MBA, PhD, PE
Director
Department of Public Works and Engineering

WBS # S-000035-0197-4

Amount of Funding:

\$2,761,600.00 from Fund No. 8500 - Water and Sewer System Consolidated Construction Fund

Contact Information:

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ATTACHMENTS:

<u>Description</u>	<u>Type</u>
Maps	Backup Material
Ordinance	Backup Material
OBO Docs (HHF, Vendor Info Sheets & Letters of Intent)	Backup Material
Form B	Backup Material
Tax Report	Backup Material
Pay or Play (1-3)	Other
Affidavit of Ownership (doc 0455)	Backup Material
Bid Extension Letter	Backup Material
1295	Backup Material