



CITY COUNCIL COMMUNICATION

February 9, 2010

SUBJECT: Award contract for Sanitary Sewer Collection System Rehabilitation Project.

SUBMITTED BY: Robert M. Barker, City Engineer

REFERENCE NO: Bid No. 002-10

ACTION REQUESTED:

Consider award of Bid No. 002-10 for a construction contract to PM Construction and Rehab, LP for the replacement of sanitary sewer mains in portions of the Koen outfall, Midway Park, Morrisdale, Huntington Place, Alexander and Cullum Additions in the amount of \$613,035.15, and authorize the City Manager to enter into a contract with PM Construction.

ALTERNATIVES:

1. Approve the request
2. Deny the request
3. Table the request

SUMMARY OF SUBJECT:

Residential sanitary sewer mains located for the Koen outfall, Midway Park, Morrisdale, Huntington Place, Alexander and Cullum Additions are in need of replacement due to their existing deteriorating condition or due to their inadequate size. With the installation of new 8" lines by the pipe bursting method, the capacity of the mains will be increased to help prevent blockages.

Bids were received from eight (8) companies and were opened on January 13, 2010. The low bid in the amount of \$516,992.20 was submitted by Dolan Directional Drilling, Inc. of Keller, Texas.

It has come to our attention that there are some inadequacies concerning the experience record of Dolan Directional Drilling, Inc. The company's experience indicates a high level of expertise in the performance of directional drilling. However, experience in the performance of pipe bursting is somewhat limited. Dolan has not completed a project of this magnitude as a prime contractor. The record indicates that Dolan Directional Drilling, Inc. has worked on smaller pipe bursting projects as a subcontractor with very limited experience in urban residential areas. Therefore, it is our recommendation to reject the bid of Dolan Directional Drilling, Inc.

The second low bid of \$613,035.15 was submitted by PM Construction and Rehab, LP. PM Construction of Pasadena, Texas has completed a number of projects in the Houston area of similar size and scope to the project bid. PM Construction and Rehab, LP currently has similar projects under construction in Grapevine, DeSoto, and Farmers Branch.

Staff has reviewed the bid tabulation and based on the included supporting documentation from Elliott & Hughes, Inc., recommends that the City award a construction contract to the second low bidder, PM Construction and Rehab, LP in the amount of \$613,035.15.

FINANCIAL CONSIDERATIONS:

Revenue Sources:

Expenditure Accounts: Projects WW0801, WW0901

Budgeted Fiscal Year(s): \$ 1,149,000.00

Estimated Expenditure: \$ 613,035.15

Over/Under Projection By: \$ 535,964.85

Other Comments:

SUPPORTING DOCUMENTS:

- Letter: Elliott & Hughes, Inc.
- Bid Summary

APPROVED BY:

_____ **LG** _____

City Manager's Office

_____ **SC** _____

City Secretary's Office