



## **CITY COUNCIL COMMUNICATION**

August 17, 2010

**SUBJECT:** Award a contract to William J. Schultz, Inc., d/b/a Circle C Construction for the Sanitary Sewer Collection System Rehabilitation project in the Ross Cannon, Morrison, Arnett and Oakwood Terrace Additions.

**SUBMITTED BY:** Robert M. Barker, City Engineer

**REFERENCE NO:** Bid No. 010-10

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### **ACTION REQUESTED:**

Consider award of Bid No. 010-10 for a construction contract to William J. Schultz, Inc., d/b/a Circle C Construction for the replacement of sanitary sewer mains in portions of the Ross Cannon, Morrison, Arnett and Oakwood Terrace Additions in the amount of \$268,354.00, and authorize the City Manager to enter into a contract with William J. Schultz, Inc., d/b/a Circle C Construction.

### **ALTERNATIVES:**

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

### **SUMMARY OF SUBJECT:**

Residential sanitary sewer mains located for the Ross Cannon, Morrison, Arnett and Oakwood Terrace 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 five (5) companies and were opened on June 9, 2010. The low bid in the amount of \$240,036.00 was submitted by PM Construction and Rehab, LP of Pasadena, Texas.

It is our opinion that the bid of PM Construction and Rehab, LP should be rejected. This recommendation is based upon the record of performance on the current contract for construction of the FY 2008-09 Sanitary Sewer Collection System Rehabilitation. Following a review of the closed circuit television inspection of the completed pipelines, and a field inspection, a number of problems have been identified. A majority of the

problems have been as a result of failure to adhere to the requirements of the construction plans and contract documents. A lack of project management, including delays in responding to inquiries by City staff members further contributed to the current construction problems. Therefore, it is our recommendation to reject the bid of PM Construction and Rehab, LP.

The second low bid of \$268,354.00 was submitted by William J. Schultz, Inc., d/b/a Circle C Construction of Fort Worth, Texas. Circle C Construction has recently completed similar projects in Mesquite and Arlington and is currently installing the reclaimed water delivery system to the Texas Star Golf Course for the City of Euless.

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, William J. Schultz, Inc., d/b/a Circle C Construction in the amount of \$268,354.00.

**FINANCIAL CONSIDERATIONS:**

Revenue Sources:

Expenditure Accounts: Project WW1001

Budgeted Fiscal Year(s): 450,000.00

Estimated Expenditure: 268,354.00

Over/Under Projection By: 181,646.00

Other Comments:

**SUPPORTING DOCUMENTS:**

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

**APPROVED BY:**

\_\_\_\_\_ **LG** \_\_\_\_\_ City Manager's Office

\_\_\_\_\_ **SC** \_\_\_\_\_ City Secretary's Office