MEMORANDUM

To: Mayor and City Council Members
Douglas Faseler, City Manager

From: Emery E. Gallagher, Director of Water and Wastewater Utilities

Through: Rick Cortes, Assistant City Manager

Subject: Water and Wastewater Treatment Plants Projects

Date: June 09, 2015

On May 19, 2015, the City of Seguin opened bids for projects at the Seguin Water Treatment and Wastewater facilities. The Water Treatment Plant project consists of a 60-foot diameter solids concentrator basin, motor control center and electrical replacements, Storm Sewer and sludge pump replacement. The Wastewater Plant projects, scheduled for both the Walnut Branch and the Geronimo Creek WWTP, consist of the construction of a belt filter press support pad, access road paving, on-site piping and non-potable water pumps.

Bids were received from five different contractors ranging from a low base bid of $2,992,449 from Udelhoven Oilfield System Services to a high base bid of $3,673,500 from Pesado Construction Company. Project Engineer, Craig Bell with T.R.C. Solutions and city staff has reviewed the proposed bids, and recommend awarding the contract to Matous Construction, Ltd., the third lowest qualified bidder for the Water and Wastewater Treatment Plant Project at a base bid of $3,050,000. Staff is recommending Matous based on their strong references and experience with similar projects, consequently the low bidder, Udelhoven has only conducted one similar project out of State and the second low bidder has had relevant issues on a few of their projects.

Staff is also recommending approval of Additive Alternate (P.A.2 Flowmeter Vault and P.A. 3 Flow Flocculator VFD) at a cost of $152,000. The additive alternates will enhance operational controls of surface water flows to the Industrial users and the Flocculator will decrease the chemical usage by balancing the chemical mixing through the Flocculation Basins.

Construction funding in the amount of $3,559,000 is included in the FY 2014-15 Capital Projects budget. The total project costs including the additive alternates are $3,202,000; staff is also recommending a $160,000 construction contingency for this project, leaving a remaining construction balance on $197,000 that can be utilized to offset the purchase costs of the belt filter press. Please note that the belt filter press associated with this project was scheduled to be purchase through project funds, however bids were higher than anticipated therefore necessitating the need to request additional funding for the belt filter press through the FY 2015-2016 budget process; anticipated additional funding necessary to purchase the belt filter press is $503,000.

Attached is TRC's letter dated May 28, 2015 recommending the award of the Water and Wastewater Treatment Plants Projects. Staff concurs with this recommendation and will be available to answer any questions at the Tuesday, June 16, 2015 Council Meeting.