

MEMORANDUM

To: Mayor Dodgen and City Council
Steve Parker, City Manager

From: John Donnelly, Director of Public Works

Subject: Indefinite Delivery, Indefinite Quantity (IDIQ)
Contract for Utility Trench Repairs

Date: February 1, 2023

In an effort to address the backlog of open utility trenches and/or utility cuts needing repairs in the city, staff conducted a cost analysis comparison for an outside contractor versus a newly hired 5-person in-house crew to perform the restorative work. The comparison indicated a cost of approximately \$1 million dollars would be spent the first year and a minimum of \$450,000.00, in subsequent years on salaries and benefits for the in-house 5-person crew. In addition, the following purchases would need to be made to provide the crew the tools and equipment necessary to complete the repairs:

1) Dial-a-Mix Concrete Truck	\$ 425,000.00
2) Small Excavator	\$ 150,000.00
3) 2 - F-550 Dump Trucks	\$ 130,000.00
4) Small Loader	\$ 45,000.00
5) 2 - Trailers	\$ 65,000.00
6) Small Tack Oil Trailer	\$ 40,000.00
7) Small Roller	\$ 55,000.00
8) Steel Plates to Cover Open Holes	\$ 15,000.00
Total Equipment Costs	\$ 910,000.00

Subsequently, staff recommended outsourcing the repairs and an IDIQ (Indefinite Delivery, Indefinite Quantity) was placed out to bid. The benefit of an IDIQ type contract is the ability to set an amount not to exceed and if no utility repairs are needed in any given year, no funds are used. Whereas the hiring of a new crew would amount to continual expenses and obligation.

Therefore, following the city's contract bid process, an IDIQ was placed for bid for the 150 known areas currently in need of repair. On December 13, 2022, a bid opening was held with one bid received from Westhill Paving, Inc. Westhill Paving, Inc., has performed work in the city for Centerpoint Energy and has worked well with staff. If awarded, funding for the contract has a maximum of \$300,000.00.

The method of repair is: 1) Excavate the dirt; 2) Backfill to the top of the sand placed around the pipe; 3) Place concrete flowable fill to within 2" from the driving surface; and 4) Place 2" of hot mix asphalt over the flowable fill. This is a proven repair that prolongs the life of the road. All work will be monitored and inspected by Public Works for the quality of repairs on city streets.

Westhill has provided the required insurance contract certificate. Staff recommends awarding the Indefinite Delivery, Indefinite Quantity (IDIQ), to Westhill Paving, Inc., in an amount not to exceed \$300,000.00. Funding will come from the FY2023 Utility Operations and Maintenance Fund budget. Staff will be available to answer any questions.