

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: January 20, 2025

Topic:

Workshop discussion only - Approve a Professional Services Agreement with PLW Waterworks, LLC for construction phase services of the first work package for the South Wastewater Treatment Plant Expansion (GMP 1) for a not-to-exceed amount of \$9,304,330.21, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchase. This expenditure is included in the Fiscal Year 2024-2025 Capital Improvement Project Budget.

Background:

On May 1, 2023 City Council approved Resolution No. 2023-27, approving the Construction-Manager-at-Risk (CMAR) delivery method for design assistance for the expansion of the South Wastewater Treatment Plant (SWWTP) after determining the use of the CMAR delivery method would provide the best value to the City. The Professional Services Agreement to provide CMAR services during the design phase with PLW Waterworks was approved on December 18, 2023.

CMAR is a delivery method which necessitates a commitment by the Construction Manager (CM) to serve as the general contractor and deliver the project within a Guaranteed Maximum Price (GMP) which is based on the construction documents and specifications at the time of the GMP plus, any reasonably inferred items or tasks. By utilizing a CMAR during the design process, they can provide valuable input to the design and construction planning for the project (e.g. cost estimating, scheduling, solicitation of subcontractor bids value engineering, construction phase operational coordination planning, etc.).

Staff has been working with Freese & Nichols, Inc. to complete the design of the expansion, and as part of the CMAR process PLW Waterworks has been assisting during the design to provide their expertise opinions based on their extensive experience and knowledge as well as evaluating costs and providing alternative methods to keep the project within the identified budget.

As part of identified scope of work within the CMAR professional services agreement, PLW assisted in establishing the Guaranteed Maximum Price (GMP) packages to be competitively bid in accordance with Chapter 2269 of Texas Local Government Code. During the design phase, PLW assisted with the development of the cost model and completed the bidding process for GMP 1 at 60% design. The GMP 1 included procurement of required equipment for the expansion including switch gears, motor control systems, and process treatment equipment. The procurement process allowed manufacturers and vendors to submit their sealed pricing for the equipment they were able to provide for the project. PLW, Freese & Nichols, and City staff completed a review of all submitted pricing to finalize the GMP 1 Proposal.

This item authorizes an agreement with PLW Waterworks, LLC for GMP-1 (Early Works Package) for an amount not-to-exceed \$9,304,330.21. Funds for completing this phase of the project were allocated in the Fiscal Year 2024-2025 budget, as part of the Certificate of Obligation issuance that was approved at the December 4, 2023 City Council meeting.

Project Element	Total Contract	Remaining Contract
Preliminary Engineering – FNI	\$506,085	\$0.00
Design Engineering – FNI	\$4,933,000	\$2,089,518.63
CMAR (Design Phase)	\$595,699	\$247,000.00
GMP 1 (Early Works)	\$9,304,330.21	\$9,304,330.21
GMP 2 (Balance of Plant)	Pending	N/A
Construction Management & Plant Commissioning	\$4,847,000	\$4,847,000
Project Budget \$70,434,404*	Total Contracts \$20,186,114.21	Remaining Funding \$50,248,289.79

*Future Bond Issuances Required

Origination: Project Management

Recommendation:

Staff recommends approving a Professional Services Agreement PLW Waterworks, LLC for Construction-Manager-at-Risk for Guaranteed Maximum Price Package One (Early Works Package) for a not-to-exceed amount of \$9,304,330.21.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #400-614-6409

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo Approved by _____
 Staff Member Date City Manager Date