



City of Killeen

Legislation Text

File #: RS-21-110, **Version:** 1

Consider a memorandum/resolution authorizing the award of Bid No. 21-32, Chaparral Elevated Storage Tank Project to Landmark Structures in the amount of \$5,253,000.

DATE: August 3, 2021

TO: Kent Cagle, City Manager

FROM: Tony McIlwain, Executive Director of Development Services

SUBJECT: Authorize the Award of a Construction Contract with Landmark Structures to Construct the Chaparral Elevated Storage Tank Project

BACKGROUND AND FINDINGS:

The 2019 Water and Wastewater Master Plan includes project 1W to build a 1.5-million-gallon elevated storage tank (EST) 300-feet south of the Chaparral Road and Purple Martin Drive intersection. Water from the new Stillhouse Water Treatment Plant (WTP) will be pumped into the proposed Chaparral EST which will provide additional elevated storage in the lower pressure plane as well as storage for the suction side of the Chaparral Pump Station, which will pump water into the upper pressure plane. The Chaparral EST is the first of four projects that combined will deliver, store, and pump water from the Stillhouse WTP into the City's existing water distribution system.

On July 8, 2021, bids for 21-32, construction of the Chaparral EST were opened and read aloud. Four (4) contractors submitted bids on this project. The bids are as follows:

BIDDERS	BID
Landmark Structures	\$5,253,000.00
CB&I Storage Tank Solutions	\$5,829,996.72
Phoenix Fabricators and Erectors	\$5,940,734.00
Caldwell Tanks	\$5,956,000.00

THE ALTERNATIVES CONSIDERED:

- (1) Delay the construction of the project; this will result in the Upper Pressure Plan being out of Texas Commission on Environmental Quality (TCEQ) compliance regarding elevated storage capacity and will require water from the Stillhouse WTP to be pumped through the water distribution system prior to entering an elevated storage tank, which is not normal operation procedure and can lead to water quality issues.

- (2) Reject all bids and re-bid at a later date, hoping that construction costs will decrease in the future.
(3) Authorize the award of a Bid 21-32 to the lowest bidder, Landmark Structures.

Which alternative is recommended? Why?

Staff recommends alternative three (3) because:

- (1) Landmark Structures has extensive experience with the construction of elevated storage tanks.
- (2) Landmark Structures has done very good work in the construction of two (2) other City projects, the latest being Bundrant EST.
- (3) Freese and Nichols, the design engineering firm on this project, recommends the award of contract to Landmark Structures.

CONFORMITY TO CITY POLICY:

This item conforms to state and local policies.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

Estimating to spend approximately \$253,000 in FY 2021, \$3,000,000 in FY 2022, and \$2,000,000 in FY 2023 for a total cost of \$5,253,000.

Is this a one-time or recurring expenditure?

One-time

Is this expenditure budgeted?

Yes, funds are available in account 363-8934-493.69-03.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes

RECOMMENDATION:

Staff recommends the City Council award Bid 21-32 to Landmark Structures for the construction of the Chaparral EST Project in the amount of \$5,253,000, and authorize the City Manager or his designee to execute a contract for the procurement, and that the the City Manager or designee is expressly authorized to execute any and all change orders within the amounts set by State and local law.

DEPARTMENTAL CLEARANCES:

Public Works
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Proposal
Letter of Recommendation
Certificate of Interested Parties