



WESTMINSTER
COLORADO

CITY COUNCIL MEETING

JUNE 23, 2025 at 7:00 PM

- C. Authorize Contract Amendments to Increase Annual Costs with Insituform Technologies, LLC; Guildner Pipeline Maintenance, Inc.; and American West Construction, LLC for Various On-Call Related Repair Services on Water, Wastewater, Reclaimed, and Stormwater Infrastructure for Fiscal Years 2025 through 2028



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Agenda Memorandum

Agenda Item – 8.C.

City Council Meeting
June 23, 2025



Strategic Priority 5: Resilient Infrastructure

Maintain and invest in resilient infrastructure that creates the highest return for safety, community connectivity, enjoyment of life, and local economic success.

Subject: Authorize Contract Amendments to Increase Annual Costs with Insituform Technologies, LLC; Guildner Pipeline Maintenance, Inc.; and American West Construction, LLC for Various On-Call Related Repair Services on Water, Wastewater, Reclaimed, and Stormwater Infrastructure for Fiscal Years 2025 through 2028

Prepared By: Guy Pineau, Utilities Project Specialist
Mark Uhland, Wastewater Superintendent

Recommended City Council Action:

1. Authorize the City Manager to amend the existing contracts with Insituform Technologies, LLC; Guildner Pipeline Maintenance, Inc.; and American West Construction, LLC for on-call planned and emergency repair services related to water, wastewater, reclaimed, and stormwater infrastructure increasing the annual contract amounts for fiscal year 2025 for a grand total of \$5,000,000 in authorized expenditures across all three contracts as follows:
 - Insituform Technologies, LLC from \$1,000,000 to \$2,000,000;
 - American West Construction, LLC from \$1,000,000 to \$2,000,000; and
 - Guildner Pipeline Maintenance, Inc. from \$500,000 to \$1,000,000.
2. Authorize the City Manager to execute three additional one-year contract amendments for the fiscal years 2026, 2027, and 2028 with each of the three contractors, subject to annual appropriation, for a grand total not to exceed \$5,000,000 per year in authorized expenditures for the amendments as follows:
 - \$2,000,000 per year for Insituform Technologies, LLC;
 - \$2,000,000 per year for American West Construction, LLC; and
 - \$1,000,000 per year for Guildner Pipeline Maintenance, Inc.

Summary Statement:

- City Council is requested to authorize contract amendments with Insituform Technologies, LLC (Insituform); American West Construction, LLC (American West); and Guildner Pipeline Maintenance, Inc. (Guildner) for on-call repair services related to water, wastewater, reclaimed water, and stormwater infrastructure.
- Insituform and American West were awarded construction contracts through a formal bid process in 2024. Guildner was awarded a contract through a formal bid in 2023 and revised to be an engineering contract in 2024.
- Amendments are necessary because the original contract amounts have been insufficient to cover the increased costs and volume of needed work. The increased spending limits will accommodate rising material and labor costs, meet emergency response needs, and allow for completion of previously delayed projects that were postponed due to prior contract spending caps. The proposed amendments to the Insituform and American West construction contracts limit the maximum annual price increases to the annual percent change of the Denver-Boulder-Greeley Consumer Price Index (CPI). Any changes to costs related to the Guildner engineering contract will be negotiated based on fair market rates. Staff advises that this provides excellent value given the current cost escalations being experienced currently with frequent rebidding of work.
- Funding is appropriated and available from three different infrastructure operating budgets. All future expenditures associated with the proposed amendments are subject to annual appropriations by City Council.

Fiscal Impact:

- Estimated Fiscal Year 2025 Expenditure: Up to \$5,000,000
- Estimated 3-Year Cumulative Expenditure for fiscal years 2026 to 2028 for all three contracts combined: Not to Exceed \$15,000,000 (i.e., not to exceed \$5,000,000 per year subject to annual appropriation)

Source of Funds:

Water Fund – PWU Operating and Capital Improvement Budgets
Wastewater Fund – PWU Operating and Capital Improvement Budgets
Stormwater Fund – PWU Operating and Capital Improvement Budgets

Policy Issue(s):

Should City Council authorize the execution of amendments to the contracts with Insituform Technologies, LLC; American West Construction, LLC; and Guildner Pipeline Maintenance, Inc. for on-call utility infrastructure repairs and maintenance as proposed?

Alternative(s):

- City Council could choose not to approve the requested contract amendments. This is not recommended as these amendments provide the resources necessary to support proper maintenance and repair for planned and emergency circumstances.
- City Council could direct Staff to reduce the number of amendments. This is not recommended as

there is a likelihood that costs would be higher if these services were rebid annually. The construction contracts limit the maximum annual price increases to the annual percent change of the Denver-Boulder-Greeley CPI.

Background Information:

Public Works and Utilities Department staff in the water distribution, wastewater collections, reclaimed water distribution, and stormwater utility operations are combining efforts to address known infrastructure repairs using on-call construction services. These contracts also ensure vital 24/7 emergency response capabilities for urgent utility repairs.

These contractors are essential in maintaining service levels to the public, working within current staff resources. Contractors help fill this need without adding staff, enabling the City to complete critical maintenance and capital projects across all utility systems. Beyond planned projects, these contractors are also essential for emergency response and repairs. Their pre-negotiated rates help reduce costs and expedite mobilization. Without these contracts in place, the cost of emergency services could be significantly higher.

Following is a list of upcoming planned projects that the on-call contracts may support:

Water Distribution Maintenance:

- 12th Avenue and Vrain Street – Replace 18” waterline valve
- 7431 West 92nd Avenue (near BNSF railroad) – Repair 24” blowoff valve
- 116th Avenue and Huron Street – Install 24” and 16” valves; abandon 12” and 16” laterals
- 124th Avenue and Delaware Street – Replace waterline at ditch crossing

Reclaimed Distribution:

- Legacy Ridge Parkway – Extend 12” reclaimed waterline from 110th Avenue to Legacy Ridge Golf Course Clubhouse
- 118th Avenue and Pecos Street – Replace 30” butterfly valve
- 122nd Avenue and Pecos Street – Install 30” butterfly valve

Wastewater Collections:

- 104th Avenue and 104th Drive – Repair crushed sanitary sewer line
- 9221 Ammons Court – Replace sanitary sewer line
- 8113 West 94th Avenue – Point repair
- 3545 W. 107th Avenue – Point repair
- 4707 Raleigh Street – Point repair

Stormwater Maintenance:

- 80th Avenue and Sheridan Boulevard – Point repair to address hole in line
- 5770 West 88th Avenue – Point repair of crushed line
- 9304 Fenton Street – Repair entire length of failing line
- Various Locations – 309 known system defects that are considered high-risk

These on-call agreements will enable the City to utilize outside contractors when repair needs exceed internal Staff capacity or require specialized equipment and training.

Staff is requesting authorization to increase contract amendment amounts with Insituform, American West, and Guildner for on-call repair services related to water, wastewater, reclaimed water, and stormwater infrastructure.

Per competitive procurement processes that resulted in the original awards of these contracts, pricing adjustments for subsequent years for construction contracts will follow CPI increases. This approach to procurement of these services is preferred over re-bidding annually due to the time delay of procurement, the continuous and ongoing need for these services, and the overlap of project timing and completion. The ability to lock in pricing for fiscal years 2026, 2027, and 2028 to CPI increases provides an efficient and economical way to lock in pricing. Each fiscal year is contingent upon City Council approved budget appropriations and Staff review of costing. There is a likelihood that costs would be higher if these services were rebid annually versus the current construction contracts that limit annual increases to CPI. Should the pricing proposed through the CPI be higher than Staff believes might be available through a new bid, the following fiscal year contract does not have to be renewed.

Executing these amendments supports the City's Strategic Priority of Resilient Infrastructure by providing necessary resources for utility infrastructure repair and maintenance services.

Respectfully submitted,

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Jody L. Andrews
City Manager



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