



Project Number-60810049
SSP City-Wide Sewer Line Cleaning, CCTV - Area 1

CREO Document Upload:#3

Subject: CUP/LOI Document Upload | Contract WSD1277-3
Initiator: Driskell, Jamie
Date Created: 05.27.2025 11:20AM
Department: Water Services

Process Information

Document Type: CUP/LOI
Date Submitted: 05.27.2025
Date Received:
Contract Number: WSD1277-3
Prime Contractor: ACE PIPE CLEANING INC
Amount of Project: 3000000.00
%MBE
%WBE
%DBE

Special Instructions:



Interdepartmental Communication

DATE: May 27, 2025

TO: Jaime Guillen, Director, Civil Rights and Equal Opportunity

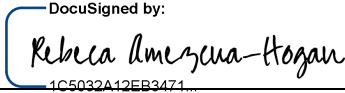
FROM: Jamie Driskell, SSP Contract Administration

SUBJECT: Contract /Project No. 1277-3 /60810049 – City-Wide Sewer Line Cleaning, Closed Circuit Television (CCTV) Inspection, and Manhole Locating and Opening for Overflow Control Program Projects Renewal No. 3

Renewal No. 3 (Year Four) for the subject contract does require City Council approval, according to Ordinance No. 230228; Ace Pipe Cleaning, Inc. is recommended for a 3rd renewal year. The contractor has made every effort to prioritize subcontractor participation, including WBE participation substantially over goals, but has been limited in MBE participation by the work capacity and pace of the subcontractors. Ace Pipe Cleaning added a new MBE subcontractor May 16th, 2025, in an effort to, increase MBE participation at a quicker pace. Ace Pipe Cleaning also submitted a Request for Modification dated May 22, 2025, to adjust goals based on subcontractor production capabilities. We recommend the City move forward to renew this contract with Ace Pipe Cleaning, Inc. for Renewal No. 3 with a contract amount of \$3,000,000.00.

- This is not a prevailing wage contract.
- Performance Bond is required.
- The goals are set at 15% MBE and 10% WBE.
- The goals for the renewal are requested at 5% MBE and 20% WBE in alignment with pending RFM for WSD1277-2.
- Currently, Ace Pipe Cleaning, Inc. goals are MBE 2.4% and WBE 21.7%
- The Annual Amount for this is \$3,000.000.00

The contract renewal information is available upon request.

Approved: 
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(CREO Dept. - Director)

cc: Jacob Groh, Project Manager

MEMORANDUM

Date: June 4, 2025

To: CREO KC Department Director Jaime Guillen

From: Rebeca Amezcua-Hogan, Civil Rights Specialist

Subject: RFM Approval Request from: Water Services / Ace Pipe Cleaning Inc

Project: City-Wide Cleaning, CCTV Inspection and Manhole Locating and Opening for OCP Project

Project #: 1277-2/60810049

Contract Amount: \$ 1,500,000.00

Background:

Goals for the project were approved at 15% MBE and 10% WBE on 11/23/2015. CREO KC approved a CUP from Ace Pipe Cleaning Inc on 4/19/2026 with participation of 15% MBE and 10% WBE. This is the second renewal, which was approved on 2/1/2023. Current participation is as follows:

MBE:

Elite Root Control, LLC (Pipeline Inspection / Sewer Cleaning and Rodding Services) – \$195,000.00 or 13%

H & S & Sons L.L.C (Pipeline Inspection / Sewer Cleaning and Rodding Services) – \$15,000.00 or 1%

SE3, LLC (Pipeline Inspection) – \$30,000.00 or 2%

Total MBE participation of \$240,000.00 out of \$1,500,000.00 for 16% MBE.

WBE:

She Digs It, LLC (Utility Line Construction / Sewer Cleaning and Rodding Services) - \$150,000.00

Total WBE participation of \$150,000.00 out of \$1,500,000.00 for 10% WBE.

Request for Modification:

The prime contractor is requesting a modification of the amount of MBE/WBE participation currently listed on the approved CUP from 15% MBE and 10% WBE to 5% MBE and 20% WBE. The prime states that the MBE subs have not been responsive and have not completed the amount of work assigned to them.

Elite Root Control (MBE)

-Assigned 100K of small diameter CL & CCTV on 11/24/2024. As of 5/21/2025 they have only completed 32K.

SE3 (MBE)

-Assigned 100K of small diameter CL & CCTV on 11/24/2024. As of 5/21/2025 they have only completed 6K.

For perspective purposes, APC also assigned SDI (WBE) 100K of small diameter CL & CCTV on 11/24/2024. They had completed 91K of CL & TV as of 3/10/2025. During this early March period, APC and SDI halted production on the contract to allow for the MBE's to have plenty of remaining contract funds to meet the participation requirements. This lack of production is beginning to create concerns for contract deadlines.

As a Good Faith Effort, the prime contractor has increased the amount of work performed by She Digs It, LLC. She Digs It, LLC's participation on the CUP was for \$150,000.00 at 10% WBE. To date, this subcontractor has performed \$280,588.56 – doubling their participation to 22%.

Additionally, SE3 LLC is being replaced with SE3 Group LLC. SE3 LLC did not perform any work on this contract and CREO has received a letter from SE3 LLC stating that they are aware of their removal and are in agree with the prime regarding this action. CREO has also received an LOI for SE3 Group, LLC.

H & S & Sons L.L.C's participation has also increased from 1% to 2%. An updated LOI has been provided.

If approved, participation on the CUP will be changed as follows:

MBE:

Elite Root Control, LLC (Pipeline Inspection / Sewer Cleaning and Rodding Services) – *current participation at 2.3%*

H & S & Sons L.L.C (Pipeline Inspection / Sewer Cleaning and Rodding Services) – 2%

SE3 Group, LLC (Pipeline Inspection) – 1%

Total MBE participation 5% MBE.

WBE:

She Digs It, LLC (Utility Line Construction / Sewer Cleaning and Rodding Services) – *current participation at 22%*

Total WBE participation of 20% WBE

Recommendations:

CREO KC recommends that the prime contractor's Request for Modification to change the participation listed on the approved CUP from 15% MBE and 10% WBE to 5% MBE and 20% WBE be approved. The prime contractor does appear to have made Good Faith Efforts by doubling their WBE participation. Additionally, there isn't much availability as there are only a few certified firms that can perform CCTV inspections. All available MBE's are currently on the contract and have been unresponsive.

The figures in B2G are not the most up to date figures but the prime has been paid \$1,291,591.18. The prime reports the following MBE/WBE payments:

MBE: \$30,621.00 @ 2% and WBE: \$280,588.56 @ 22% MBE.

Notes:

Original Contract Amount:	\$1,500,000.00
Current Contract Amount:	\$1,500,000.00

According to B2G, the prime contractor is currently achieving the following participation on the contract:

Dollars paid to prime contractor by City to date: \$1,291,591.18
Dollars paid to MBEs by prime contractor to date: \$30,621.00 for 2% MBE.
Dollars paid to WBE by the prime contractor to date: \$280,588.56 for 22% WBE.