



City of Austin

Recommendation for Action

File #: 26-1988, **Agenda Item #:** 29.

7/23/2026

Posting Language

Authorize a contract for maintenance and repair of pond pump and irrigation systems for all City departments with H3Irs, LLC d/b/a Divided Water Services, for an initial term of two years with up to three 1-year extension options in an amount not to exceed \$2,431,000. Funding: \$125,000 is available in the Operating Budgets of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Austin Financial Services.

Client Department(s)

All City Departments.

Fiscal Note

Funding in the amount of \$125,000 is available in the Fiscal Year 2025-2026 Operating Budgets of various City Departments.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Procurement Language:

Austin Financial Services issued a Request for Proposals solicitation RFP 5000 BYS3046 for these services. The solicitation was published on February 23, 2026, and closed on March 26, 2026. Of the three offers received, the proposal submitted by the recommended contractor represented best value to the City based on the solicitation's evaluation criteria. A complete solicitation package, including a log of offers received, is available for viewing on the City's website. This information can currently be found at https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=143657.

MBE/WBE:

This contract will be awarded in compliance with the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Austin Financial Services - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Additional Backup Information:

The contract will provide routine maintenance services and ad hoc repair services for the City's pumped and re-irrigation water quality ponds. The retention re-irrigation systems are a type of stormwater control measure utilized in the Barton Springs Zone and other watershed locations to meet the regulatory requirements set forth

by the Save Our Springs ordinance to meet applicable drainage requirements. There are currently 67 locations that require specialized maintenance to ensure proper removal of pollutants from stormwater runoff, timing of irrigation operations, and discharge into the receiving drainage system.

The contract replaces a contract expiring on August 30, 2026. Requested authorization is based on historical spending and departmental estimates of future needs. The recommended contractor is the current provider for these services.

An evaluation team with expertise in this area evaluated the offers and scored H3lrs, LLC d/b/a Divided Water Services as the best to provide these services based on project concept and strategy, price, experience and references, personnel qualifications and structure, small business preference, and local business preference.

If a contract is not secured, the City's re-irrigation water quality ponds will not meet local, state and federal regulatory obligations and mandates associated with water quality protection, increasing the likelihood of non-compliant systems, which can lead to violation notices and fines from regulatory agencies.

Contract Details:		
Contract Term	Length of Term	Contract Authorization
Initial Term	2 years	\$960,000
Optional Extension 1	1 year	\$486,000
Optional Extension 2	1 year	\$489,500
Optional Extension 3	1 year	\$495,500
Total	5 years	\$2,431,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.