



AGENDA MEMORANDUM

First Reading for the City Council Meeting of March 18, 2014
Second Reading for the City Council Meeting of March 25, 2014

DATE: March 4, 2014

TO: Ronald L. Olson, City Manager

THRU: Gustavo A. Gonzalez, P. E., Assistant City Manager of Public Works and Utilities
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Engineering Construction Contract
McArdle Road from Ennis Joslin Road to Whitaker Drive
BOND 2012

CAPTION:

Ordinance amending the FY 2014 Capital Improvement Budget adopted by Ordinance No. 029916 by transferring \$651,654.15 from Fund 3549 Project #E12098 McArdle Road from Whitaker Drive to Nile Drive, \$65,000 from Fund 4476 Water 2009 CIP Fund Reserves, \$360,000 from Fund 4247 Wastewater 2012 CIP Fund Reserves to Project #E12097 McArdle Road from Nile Drive to Ennis Joslin; increasing expenditures in the amount of \$425,000; authorizing the City Manager, or designee, to execute a construction contract with Reytec Construction Resources, Inc. of Corpus Christi, Texas in the amount of \$10,653,999.40 for McArdle Road from Ennis Joslin to Whitaker for the base bid; and executing a testing agreement with Rock Engineering and Testing Laboratories, Inc. in the amount of \$74,850 for McArdle Road from Ennis Joslin to Whitaker for construction materials testing services. (Bond 2012)

PURPOSE:

The purpose of this Agenda Item is to obtain authority to execute the construction contract with Reytec Construction Resources, Inc. for the McArdle Road Improvements from Ennis Joslin to Whitaker.

BACKGROUND AND FINDINGS:

Project consists of two distinct sections, the first is a full reconstruction of McArdle Road from Ennis Joslin Road to Nile Drive (E12097: approximately 4,600 LF) including removal of an existing 2-lane Hot Mix Asphalt Concrete (HMAC) roadway and all water, wastewater and storm infrastructure and replacement with a new 3-lane HMAC roadway (plus bike lanes) with curb and gutter and 5' concrete sidewalks, new 12" waterline, new 18" wastewater line and new storm sewer infrastructure; The second section is a full-depth pavement reclamation of McArdle Road from Nile Drive to Whitaker Drive (E12098 : approximately 5,200 LF) including 3" mill, 9.5" cement-stabilized pavement reclamation topped with new 3" Type 'D' HMAC restriped for a 3-lane roadway plus bike lanes and partial replacement of existing water, wastewater and storm sewer infrastructure in accordance with the plans, specifications and contract documents.

On February 19, 2014, the City received proposals from three (3) bidders and the bidders and their respective bids are as follows:

Contractor	Base Bid
Reytec Construction Resources, Inc. Corpus Christi, Texas	\$10,653,599.40
Bay, LTD Corpus Christi, Texas	\$11,077,433.50
HAC Corpus Christi, Texas	\$14,772,463.95

ALTERNATIVES:

1. Authorize execution the construction contract.
2. Do not authorize execution the construction contract. (Not Recommended)

OTHER CONSIDERATIONS:

The City's consultant, RVE, Inc., conducted a bid analysis of the three (3) proposals submitted to the City. RVE, Inc. determined that the lowest bidder based on the Total Base Bid is Reytec Construction Resources, Inc. of Corpus Christi, Texas. Based on the information submitted for Special Provisions A-28, A-29, and A-30, Reytec Construction Resources, Inc. has the experience and resources to complete the project.

CONFORMITY TO CITY POLICY:

Conforms to statutes regarding construction procurement criteria and FY 2014-2015 Street Capital Improvement Planning (CIP) Budget.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Street Department
Utilities Department

FINANCIAL IMPACT:

Fiscal Year 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget	\$2,315,900.00	5,709,000.00	\$5,131,000.00	13,155,900.00
This Ordinance Item (Utilities)	0	425,000.00		425,000.00
Revised Budget	\$2,315,900.00	6,134,000.00	\$5,131,000.00	\$13,580,900.00
Encumbered / Expended Amount	1,194,538.52			1,194,538.52
This item (Reytec)		6,314,506.30	4,339,493.10	10,653,999.40
This item (Rock)		74,850.00		74,850.00
Future Anticipated Expenditures This Project		866,005.18	487,508.00	1,353,513.18
BALANCE	1,121,361.48	\$0.00	303,998.90	303,998.90

Fund(s): ST 08, 09

Comments: The attached ordinance is necessary to provide required utility funding prior to the sale of FY 2015 utility revenue bonds and is due to project timing. This amount will be deducted from future Capital Improvement Program utility funding requests. The transfer of street funds is due to a shortage of Bond 2012 street proceeds for the McArdle Road from Nile to Ennis Joslin Street project. Construction costs have substantially increased since the initial street estimation for this project prior to November 2012. Factors including limited response, contractor availability, local construction backlog and increased cost of labor all contribute to this higher pricing.

RECOMMENDATION:

City staff recommends that the construction contract be awarded to Reytec Construction Resources, Inc. of Corpus Christi, and Texas in the amount of \$10,653,599.40 for the McArdle Road Improvements from Ennis Joslin to Whitaker Drive.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Project Budget
Location Map
Presentation