



AGENDA MEMORANDUM

Action Item for the City Council Meeting of November 14, 2023

DATE: November 14, 2023

TO: Peter Zaroni, City Manager

FROM: Jeff H. Edmonds, P.E., Director of Engineering Services
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<p style="text-align: center;"><u>Construction Change Orders</u> Packery Channel Dredging and Beach Nourishment</p>

CAPTION:

Motion authorizing the approval of Change Order No. 1 with Callan Marine, LTD, Galveston, Texas, for the Packery Channel Dredging and Beach Nourishment Project, in an amount of \$400,00.00 for a total amount not to exceed \$3,931,549.00, with FY 2024 funding available from Tax Increment Reinvestment Zone No.2 Capital Fund.

SUMMARY:

This change order authorizes additional funding to extend the dredging limits to include shoaled areas near the entrance area to Lake Padre and an allowance for additional dredging. The sandy maintenance material will be excavated from the channel to reestablish the required depths.

BACKGROUND AND FINDINGS:

The Packery Channel dredging and Beach Nourishment Project is currently under construction. This project included hydraulic dredging from Packery Channel to required depths and placement of the dredged material as beach nourishment along the Gulf shoreline to the south of Packery Channel. Approximately 270,000 cubic yards of sandy maintenance material will be excavated from the channel to reestablish required depths.

Once the channel under the new Don Patricio Bridge is opened, there will be a significant increase in boating traffic accessing Packery Channel from Lake Padre. The area in the vicinity of the Lake Padre entrance has significant shoaling that will interfere with navigation. That area was not included in the original dredge template and USACE permit application.

A USACE permit amendment request is being processed to cover the additional dredging. The work was also included in the bid as one of three additive alternates. Staff intended to award this additive alternate with the bid but it was inadvertently omitted from the agenda item. As a result, that work must now be added as a change order. Callan Marine is honoring the additive alternate pricing from their original bid of \$191,502.00. The additional funds of \$208,498.00 are budgeted as an allowance for additional quantities of dredging. Preliminary survey results indicate that there may be additional quantities of dredging required than indicated in the bid documents. Payments will be made on actual quantities of work performed and verified by bathymetric survey.

PROJECT TIMELINE:

Change Order No. 1 will authorize an additional 6 calendar days to construction contract. The anticipated substantial completion date of the project is early January 2024.

ALTERNATIVES:

Not awarding the Change Order will risk further shoaling and encroaching on the navigation pathway of the Packery Channel Dredging and Beach Nourishment project.

FISCAL IMPACT:

The fiscal impact for the FY 2024 is an amount of \$400,000.00 with funds available from the Tax Increment Finance District Capital Fund. To support this change order funding from project 24129 (Packery Channel Capital Repairs) in the amount of \$400,000.00 budgeted in the Tax Increment Finance District Capital Fund is going to be transferred to project 20106 (Packery Channel Dredging and Beach Nourishment).

FUNDING DETAIL:

Fund:	PackChProjTIF2 (Fund 3278)
Department:	Infrastructure (17)
Org:	Grants and Capital Projects (89)
Account:	Construction (550910)
Activity:	20106-A-3278-EXP
Amount	\$400,00.00

RECOMMENDATION:

Staff recommends approval of this Change Order No. 1 in the amount of \$400,000.00 for the Packery Channel Dredging and Beach Nourishment Project, with Callan Marine, Ltd., to increase contract capacity for additional dredging limits.

LIST OF SUPPORTING DOCUMENTS:

Location and Vicinity Map
Packery Channel Dredging and Beach Nourishment Change Order No. 1
CIP Page