



AGENDA MEMORANDUM

Action Item for the City Council Meeting of July 16, 2019

DATE: June 26, 2019

TO: Peter Zaroni, City Manager

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Construction Contract Award
Everhart Road (Holly Road to South Padre Island Drive)
(Type B)

CAPTION:

Motion awarding a contract to Reytec Construction Resources, Inc. of Houston, Texas for the reconstruction of Everhart Road from Holly Road to South Padre Island Drive with concrete pavement and underground utility improvements in the amount of \$14,327,966.82 with funding available from Type B, Bond 2014, Bond 2018 and Utility Capital Program funds.

PURPOSE:

This item awards a construction contract for reconstruction of Everhart Road from Holly Road to South Padre Island Drive.

BACKGROUND AND FINDINGS:

The Everhart Road Improvement Project is one of three Street Reconstruction projects selected to be funded with Type B sales tax proceeds. The arrangement was approved by both City Council and the Type B Board (see attached Resolution and City Council Minutes). The three projects were selected because the full design contracts were awarded, and design was well underway at the time of the Bond referendum. A summary of the three projects and their status is provided in the following table:

PROJECT	APPROVED BUDGET	ACTUAL COST	DIFFERENCE	STATUS
Slough Rd - Rodd Field to Amethyst	\$2,200,000	\$2,522,171	(\$322,171)	Awarded 5/21/19
Everhart Road - Holly to SPID	\$5,300,000	\$6,190,454	(\$890,454)	This Item
Holly Rd - Rodd Field to Ennis Joslin	\$3,050,000	\$3,050,000	0	Bids due July 2019

Everhart Road is an existing 5-lane Hot-Mix-Asphalt-Concrete (Asphalt Pavement) roadway in poor condition with aging underground utility systems. The existing traffic signalization is inadequate and requires complete replacement at both the Corona and Bonner intersections and equipment upgrades at the Holly intersection. Among the utility improvements are replacement of a 36" water transmission main and a 30" wastewater collection line that are over 60-years old. Should the utility upgrades not be included in the road construction, there is significant risk of underground utility failures during the life of the reconstructed roadway.

The project was developed with two Base Bids plus two Additive Alternatives and one Deductive Alternate as follows. Bidders could submit bids on either Base Bid 1 or Base Bid 2 or both.

PROJECT SCOPE - Provides reconstruction of approximately 3,700 linear feet of 5-lane arterial pavement with curb & gutter, sidewalks, ADA ramps, signage, pavement markings, and upgrades to traffic signals. All 6-lanes at the SPID intersection will be reconstructed. Traffic signal upgrades include new signals at both the Corona and Bonner intersection and signal equipment upgrades at the Holly Road intersection. Utility improvements include storm water, wastewater, water and gas improvements.

BASE BID 1 – Includes reconstruction of Everhart Road with new asphalt pavement.

BASE BID 2 – Includes reconstruction Everhart Road with new rigid concrete pavement.

ADDITIVE ALTERNATE NO. 1 – Includes polyurethane coated steel pipe and fittings in lieu of bar-wrapped concrete cylinder pipe for the 36" water transmission main.

ADDITIVE ALTERNATE NO. 2 – Includes fiberglass (glass-fiber-reinforced thermosetting-resin) gravity wastewater pipe in lieu of PVC for the 30" wastewater trunk line.

DEDUCTIVE ALTERNATE NO. 3 – Extends substantial completion from 540 calendar days to 630 calendar days.

On May 15, 2019 the City received proposals from three (3) bidders as follows:

BID SUMMARY – BASE BID 1 (ASPHALT PAVEMENT)				
CONTRACTOR	BID AMOUNT	ADD. ALT. 1	ADD. ALT. 2	DEDUCT. ALT. 3
Reytec Construction Resources, Inc. Houston, Texas	No Bid	No Bid	No Bid	No Bid
CPC Interests, LLC dba Clark Pipeline Services Corpus Christi, TX	\$14,362,773.32	\$79,441.80	\$102,254.88	(\$213,900.00)
Berry Contracting, L.P. dba Bay, Ltd. Corpus Christi, TX	\$15,776,960.02	(\$334,715.79)	\$67,120.00	(\$247,600.00)
<i>Engineer's Opinion of Probable Cost</i>	\$13,720,000			

BID SUMMARY – BASE BID 2 (CONCRETE PAVEMENT)				
CONTRACTOR	BID AMOUNT	ADD. ALT. 1	ADD. ALT. 2	DEDUCT. ALT. 3
Reytec Construction Resources, Inc. Houston, Texas	\$14,327,966.82	\$247,380.00	(\$19,340.00)	(\$56,000.00)
CPC Interests, LLC dba Clark Pipeline Services Corpus Christi, TX	\$15,637,936.51	\$79,441.80	\$102,254.88	(\$213,900.00)
Berry Contracting, L.P. dba Bay, Ltd. Corpus Christi, TX	\$16,058,668.70	(\$334,715.79)	\$39,120.00	(\$227,300.00)
<i>Engineer's Opinion of Probable Cost</i>	\$14,103,000			

Based on Engineering Services policy for award recommendations, the lowest responsive and responsible bidder is Reytec Construction Resources, Inc. of Houston, Texas.

ALTERNATIVES:

1. Authorize approval to award a construction contract for Base Bid 2. (Recommended)
2. Do not authorize approval to award a construction contract. (Not Recommended)

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:

Complies with statutory requirements for construction contract procurement. Conforms to FY 2019 Capital Improvement Planning (CIP) Budget.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Street Operations

FINANCIAL IMPACT:

☐ Operating ☐ Revenue ☒ **Capital** ☐ Not applicable

Fiscal Year 2018-2019	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget	979,317.20	10,786,825.41	6,274,152.00	18,040,294.61
Encumbered / Expended Amount	979,317.20			979,317.20
This item		8,053,814.82	6,274,152.00	14,327,966.82
Future Anticipated Expenditures This Project		2,592,885.68		2,592,885.68
BALANCE	0	140,124.91	0	140,124.91

Fund(s): Type B Fund 3250; Street 2019 Bd18 Pt 2 Fund 3557; Street 2015 GO Bd14 and various Utility CIP Funds.

RECOMMENDATION:

Staff and Design Consultant, Freese and Nichols, Inc., recommend awarding the construction contract to Reytec Construction Resources, Inc. for Base Bid 2 only. Additive Alternate No. 2 is not recommended as the overall lifecycle maintenance cost exceeds the higher initial construction cost. Deductive Alternate 3 was to extend the contractor's period of performance. The bid amount for that alternate from the low bidder was not sufficiently high to recommend exercising that alternative.

Construction is anticipated to be complete by March 2021.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Location Map
Presentation
Letter of Recommendation
Resolution
City Council Minutes