



AGENDA MEMORANDUM
Action Item for the City Council Meeting March 24, 2026

DATE: March 24, 2026

TO: Peter Zanoni, City Manager

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<p><u>Construction Contract Award</u> Ben Garza Gym Generator (CDBG)</p>

CAPTION:

Motion awarding a construction contract to McDonald Municipal & Industrial – A Division of C.F. McDonald Electric, Inc., Houston, TX, for the Ben Garza Gymnasium Generator project in an amount of \$205,069.00 to install a new 125-kilowatt natural gas generator, located in Council District 1, with FY 2026 funding available from the Community Development Block Grant (CDBG) Program.

SUMMARY:

This motion approves a construction contract to install a new 125-kilowatt natural gas generator, an automatic transfer switch and a concrete pad at Ben Garza Gymnasium. This project is funded through Community Development Block Grant (CDBG) Program.

BACKGROUND AND FINDINGS:

The Ben Garza Gymnasium, located within Ben Garza Park, provides essential recreational space for programs such as basketball, volleyball, and pickleball. In addition to supporting

physical wellness for all ages, the gymnasium also functions as one of essential emergency response refuges during inclement weather, such as freezing events. Although Ben Graza Gym serves as a warming center and a cooling center for the community, the facility currently does not have a backup generator. Without a backup generator in place, the gymnasium's ability to provide shelter services to the community is compromised. The installation of a backup generator is crucial in ensuring the safety and well-being of those seeking refuge during inclement weather events. The facility, originally constructed before 1950, has undergone several significant updates as detailed below:

- **1995:** Minor building addition and northwest interior remodel
- **2003:** Roof improvements, interior lighting renovations, and miscellaneous repairs
- **2005:** Construction of the Ben Garza Sport Pavilion and minor locker room/restroom improvements
- **2007:** HVAC system replacement
- **2020:** Gym sport court flooring upgrade
- **2025:** Locker room improvements

The Ben Garza Generator was approved as a Public Facility project in the FY2026 Annual Action Plan to the U.S. Department of Housing and Urban Development and was approved by City Council on July 29, 2025. An amount of \$214,764.34 was allocated for the construction of this project. This amount also covers planning and project management activities related to the construction. The project's design was also funded through the CDBG Grant in the amount of \$71,402.00.

During the July 29th, 2025, council meeting, following a council-approved amendment, the funding for the Ben Garza Generator was officially restructured to ensure the project's completion while supporting local community initiatives. Under the updated plan, the generator was allocated \$500,000 in total funding. This adjustment allowed a \$160,000 donation from the Rachal Foundation to be redirected toward other social programs rather than being applied to the generator's cost. Specifically, the donation was redistributed to provide \$100,000 for Habitat Critical Repair and \$30,000 each for the Rising Tide-Safe at Home and Rising Tide Wave Academy programs. This revised allocation ensures the generator project is fully funded—covering both the down payment and installation—while providing substantial aid to local housing and educational efforts.

The current project scope includes a Base Bid for the installation of a new 125-kilowatt natural gas generator, which will be situated on the south side of the existing building. One Additive Alternate is included to provide an automatic transfer switch (ATS). This will replace the originally designed manual transfer switch to ensure seamless emergency power during outages. Furthermore, the scope encompasses the construction of a concrete pad and the installation of a 7-foot heavy-duty chain-link fence to secure the unit. This enclosure will be equipped with a main gate for personnel access and a double swing gate specifically designed to accommodate trailer entry.

The gas material was selected because the gymnasium has an existing gas line, and gas is a reliable energy source during natural disasters. The 15,090 SF Ben Garza Gym requires a power solution capable of supporting the entire facility; as such, this generator is designed to power the building to its full capacity including lighting, HVAC Systems, essential medical equipment, refrigerators, freezers. This ensures the building will function as normal during extreme weather events and while serving as a warming shelter for the community.

PROJECT TIMELINE:

2025	2025/2026	2026
May – September	October – March	April-July
Design	Bid/Award	Construction

Project schedule reflects award in March 2026 with anticipated completion by July 2026.

COMPETITIVE SOLICITATION PROCESS:

On October 12, 2025, the Contracts and Procurement Department issued a Request for Bids with RFB number 6827 for Ben Garza Generator (CDBG).

On November 12, 2025, the City of Corpus Christi received bids from five (5) bidders. The project plans were downloaded and viewed by 26 interested contractors. The city analyzed the bids in accordance with the contract documents and determined McDonald Municipal & Industrial – A Division of C.F. McDonald Electric, Inc. is the lowest responsive, and responsible bidder. A summary of the bids is provided below. The contract will be awarded Base Bid and Additive Alternate No. 1.

BID SUMMARY			
CONTRACTOR	BASE BID	ADDITIVE ALTERNATE No 1:	BID TOTAL (Base & Add. Alt. No. 1)
McDonald Municipal & Industrial – A Division of C.F. McDonald Electric, Inc. (Houston, TX)	\$195,069.00	\$10,000.00	\$205,069.00
Barcom Construction, Inc. (Corpus Christi, TX)	\$230,145.00	\$12,578.00	\$242,723.00
Ready Power, L.L.C. (New Orleans, LA)	\$242,550.00	\$5,255.00	\$247,805.00
CapStar Electric (Georgetown, TX)	\$252,353.00	\$926.00	\$253,279.00
Texan Municipal and Industrial (Houston, TX)	\$293,469.00	\$16,000.00	\$309,469.00
<i>Engineer's Opinion of Probable Construction Cost</i>	\$368,057.85	\$3,285.00	\$371,342.85

The OPCC was based on historical data from previous generator bids and material costs in the local supply market at the time of design. The bid amount was confirmed by contractor to the AE team.

McDonald Municipal & Industrial – A Division of C.F. McDonald Electric, Inc. construction team has more than 65 years of experience and has completed numerous projects including one in Corpus Christi, TX. Listed below are some of the projects McDonald Municipal & Industrial has done in the past:

- City of Corpus Christi, TX - Cefe Valenzuela Backup Generators: Installation of two 100kW generators to provide sufficient, reliable backup power to each of the two buildings at Cefe Valenzuela. - \$298,469.00
- City of Corpus Christi, TX - Central Kitchen Generator: Installation of a new 184KW Anatural gas generator and automatic transfer switch to supply the Del Mar Central Kitchen side of the existing building, in case of an emergency power loss - \$352,469.00
- City of Bay City, TX - Harvey Recovery Generators: Installation of four generators at four separate sites in the City of Bay City. The work included new electrical distribution equipment, concrete pads, and site work for a "turnkey" installation. - \$1.35M
- City of Pearland, TX - Recreation Center & Natatorium: Installation of a new 750KW natural gas generator at a large building for the City of Pearland to provide housing for the community during a natural disaster. The work included a new concrete pad and new electrical distribution equipment. - \$1.26M

ALTERNATIVES:

The City Council could choose not to award the construction contract to the lowest responsive and responsible bidder, McDonald Municipal & Industrial – A Division of C.F. McDonald Electric, Inc. However, this action would delay critical infrastructure improvements to the Ben Garza Gymnasium and compromise the facility's ability to provide reliable emergency power during outages.

FISCAL IMPACT:

The fiscal impact for FY 2026 is an amount not to exceed \$205,069.00 with funds available from the CDBG Grant fund. Following a council-approved amendment, the Ben Garza Generator project was initially authorized for \$500,000 based on project estimates. After the bidding process was finalized, the actual bid came in lower than expected; consequently, the funding is being adjusted because CDBG awards are strictly limited to the actual cost of the project. This administrative adjustment ensures the city remains compliant with CDBG requirements. Separately, the department is providing a \$24,000 from the department's general fund allocation to satisfy a match requirement, which is independent of the direct construction costs. Any remaining CDBG funds will be held in reserve until the project is 100% complete

Funding Detail:

Fund: CDBG Grants (**Fund 1059**)
Department: Parks&Rec (27)
Organization: Grants & Capital Projects (89)
Project: Ben Garza Generator (CDBG) (Project No. 25075)
Account: Construction (550910)
Activity: 852604F
Amount: \$205,069.00

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RECOMMENDATION:

Staff recommend awarding a construction contract for the Ben Garza Generator (CDBG) to McDonald Municipal & Industrial – A Division of C.F. McDonald Electric, Inc. for the generator improvements in an amount of \$205,069.00 with anticipated completion by July 2026.

LIST OF SUPPORTING DOCUMENTS:

Location & Vicinity Maps
Bid Tab
CIP Page
PowerPoint