



## AGENDA MEMORANDUM

Action Item for the City Council Meeting January 09, 2024

**DATE:** January 09, 2024

**TO:** Peter Zaroni, City Manager

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**Construction Contract Award**  
**Gas Department Building Upgrades (Phase 2) FMAC**

**CAPTION:**

Motion awarding a facilities multiple award construction contract to Barcom Construction, LLC of Corpus Christi, Texas, in a not to exceed amount of \$1,921,176.00 for the Gas Department Building Upgrades (Phase 2) project, located in Council District 1, with FY 2023 funding available from Gas Capital Fund.

**SUMMARY:**

This motion approves a facilities multiple award (FMAC) construction contract for the construction of building upgrades for the Gas Department Building. The building upgrades project will include upgrading the mechanical spaces and associated electrical system for the addition of a new multi zone HVAC system with ducting.

**BACKGROUND AND FINDINGS:**

The Gas Department Building is located at 4225 S Port Ave. in Corpus Christi Tx. The building is comprised of one floor which currently serves the community. The building is currently out of commission due to environmental findings during construction of phase 1. The displaced staff are working from a temporary facility under a rental agreement. In addition, the existing building contains many outdated elements that have exceeded their maintainable life expectancy.

Listed below is the timeline of projects of construction activity at the facility:

In 2018, the HVAC system had experienced complete failure and was no longer serviceable. City Asset Management implemented several unsuccessful attempts to repair the system with local A/C contractors but were unsuccessful as the Gas Absorption Chillers had to be replaced. In August 2018 an Emergency Declaration was issued in an amount not to exceed \$400,000 to replace the Gas Absorption Chillers and Air Handler. Several facility maintenance issues were identified during the process. A separate project was created in the Capital Improvement Program (CIP) to address the maintenance repairs of the facility in Phases.

In November 2022, Barcom Construction was issued a FMAC construction delivery order for Phase 1 of the Gas dept Building Upgrades Project in a not to exceed amount of \$434,992.00, after being selected as the lowest responsive and responsible bidder with the FMAC procurement process. The scope of work for Phase 1 was to install a new HVAC system along with new ducts, electrical upgrades and finishing the areas as needed to complete the project.

During the construction, a significant amount of black mold was discovered above the plaster ceiling after it was removed. The mold was attributed to design deficiencies with the existing HVAC system and building envelope issues. A change order was authorized for mold abatement, mold clearance, demolition of the existing acoustical and plaster ceiling, demolition of all existing ductwork, encapsulation of the existing roof deck, demolition of the existing windows, and installation of 29 new windows including blocking, flashing, and sealing to prevent the mold issue from recurring. Phase 1 was completed during summer of 2023. In April 2023 The City received a building assessment that detailed what was necessary to properly seal the building envelope. Phase 2 scope of work is based on the professional recommendations received in this report.

Phase 2 work is divided into multiple disciplines.

- The HVAC scope of work for the project includes improving the buildings air quality and circulation by implementing 6 newly designed zones with new and efficient independent A/C units to adequately cool and heat. New ductwork will be installed to improve supply and return airflow. New controls will be installed to maintain future temperatures throughout the facility. The design includes a new hydronic boiler for reheating and dehumidification. Brand new air devices including duct volume dampers and exhaust devices utilizing improved transitions will support all future ventilation needs. The electrical infrastructure will be upgraded to support the improvements. Upon completion of this scope the building pressurization will return to normal, and measures will have been put in place to prevent any future mold growth.
- The building exterior walls will be modified to allow complete drainage, proper water evacuation, and airflow for drying. The building will be seal coated to improve weather proofing and repel water. Upon completion of this scope the envelope will meet current energy and building codes.
- The roof is nearing the end of its twenty-year life cycle. Currently there appears to be leakage and lack of proper insulation which is allowing condensation and mold to form on the underside of the metal deck. New foam insulation and a vapor barrier will be installed on the underside of the entire roof deck to address the root cause. Upon completion of this scope current energy codes will be met.

- Various Life safety improvements will be included as part of the scope. Fire rated corridors and paths of egress will be constructed. New fire-rated doors and frames will be included to replace the current non fire rated equipment. The fire alarm system will be repaired to function and meet the requirements designated by the Corpus Christi Fire Marshall.
- Due to the extensive nature of repairs various finishes will need to be carried out. The acoustical and hard deck ceiling including insulation will be replaced throughout the building. The existing carpet will be removed and replaced due to mold concerns. A new reception desk will be installed to better interface with the public. The contractor will repair, prime, paint, and texture all relevant corridors and areas impacted by work. Upon completion of this scope the corridors will be returned to like-new condition.

The building upgrades project will return functionality to the facility and allow staff to leave rented office space and return to their normal base of operations. The scope will prevent future mold growth. Life safety features will be implemented improving safety, and the building will be brought up to current code in applicable areas where work is carried out.

**PROJECT TIMELINE:**

2023	2024	2024
January – October	November– January	January – August
Design	Award	Construction

Project schedule reflects award in January 2024 with anticipated completion by August 2024.

**COMPETITIVE SOLICITATION PROCESS:**

In November 2022, Barcom Construction was issued a FMAC construction delivery order for Phase 1 of the Gas Department Building Upgrades Project in a not to exceed amount of \$434,992.00, after being selected as the lowest responsive and responsible bidder with the FMAC procurement process.

On October 25, 2023, the Engineering Services Department requested a proposal from Barcom Construction, LLC for an estimate to carry out the remaining Phase 2 work for the Gas Department Building. Staff hired an independent 3<sup>rd</sup> party cost estimator to validate the pricing received by Barcom and believes based on comparison that it is reasonable.

Barcom Construction has completed numerous other projects for the City and is a reputable contractor. Staff is recommending awarding the Phase 2 work to Barcom to expedite completing the work and allowing staff to vacate rented office space.

**ALTERNATIVES:**

City Council could choose not to award the construction contract to Barcom Construction, LLC. This would delay the improvements to the Gas Department Building and would prevent the staff from moving back into the facility. This would negatively affect the ability to conduct normal operations efficiently.

**FISCAL IMPACT:**

The fiscal impact in FY2023 is an amount of \$1,921,176.00 with funds available from Gas Capital fund.

**Funding Detail:**

Fund: GASCP RR 032950 2023 (Fund 4563)  
Department: GAS (11)  
Org: Grants and Capital Projects (89)  
Account: Construction (550910)  
Activity: 21009-4563-EXP  
Amount \$1,921,176.00

**RECOMMENDATION:**

Staff recommends awarding a construction contract for the Gas Department Building Upgrades (Phase 2) to Barcom Construction, LLC in an amount of \$1,921,176.00, with construction duration planned for 8 months from issuance of the Notice to Proceed with construction starting in January 2024 with anticipated completion by August 2024.

**LIST OF SUPPORTING DOCUMENTS:**

Project CIP Page  
Location & Vicinity Maps  
Bid Tab  
PowerPoint