



AGENDA MEMORANDUM

Action Item for the City Council Meeting of August 11th, 2026

DATE: August 11th, 2026

TO: Peter Zanoni, City Manager

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<u>Construction Contract Award</u> CCIA Rehabilitate Terminal Building Phase III – Baggage Handling System Improvements
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CAPTION:

Motion awarding a construction contract to SpawGlass Contractors, Inc. of Corpus Christi for the Corpus Christi International Airport (CCIA) Rehabilitate Terminal Building Phase III – Baggage Handling System Improvements Project in an amount up to \$4,565,790.40, located in Council District 3, with FY2026 funding available from the Airport CIP Grants Fund and the Airport Capital Reserve Fund.

SUMMARY:

This motion awards a construction contract for the Corpus Christi International Airport (CCIA) Rehabilitate Terminal Building Phase III – Baggage Handling System Improvements Project. The project includes removing the baggage process equipment from public ticketing areas and replacing it with a streamlined, central baggage processing system to modernize the airport and increase operational efficiency. Construct inbound Ticket Counter Conveyor equipment, which will include modifications to interior & exterior walls, electrical and mechanical support components,

to accommodate TSA baggage scanning equipment and TSA workspace. Furnish and install security improvements, access control card readers, cameras, hardware on doors, exterior canopy structure, concrete site work, and various building envelope improvements.

These services are following the Airport Capital Improvement Plan to address on-going rehabilitation at CCIA. Design and construction are being completed in a phased approach with the 95% funding provided through the Federal Aviation Administration grant program.

BACKGROUND AND FINDINGS:

The Corpus Christi International Airport (CCIA) is owned, operated, and maintained by the City of Corpus Christi. CCIA emplanes more than 360,000 passengers annually and experiences over 100,000 annual aircraft operations each year. CCIA is the seventh largest non-hub airport in the country.

Airport staff maintains a prioritized list of capital improvement projects that satisfy eligibility requirements for the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant funding. The criteria for grant-eligible projects are outlined in the FAA's Airport Improvement Program Handbook. To be eligible, proposed projects must demonstrate the advancement of one or more AIP objectives such as airport safety, airport security, airport capacity, meeting FAA standards, preservation of airport infrastructure, environmental protection, noise mitigation, and airport planning. The Terminal Rehabilitation Project satisfies the criteria for preservation of airport infrastructure funding.

CCIA's terminal was built in the early 2000's and experiences some degree of accelerated depreciation due to an obsolete baggage system. After 9/11, TSA placed bulky equipment in the passenger lobby and ticketing areas. This project replaces the 26-year-old baggage system infrastructure and associated equipment. This project completely replaces and relocates aged baggage handling equipment, specifically the baggage conveyor system, that is beyond its useful life. The replacement of this aged baggage system removes obsolete infrastructure, improves the efficiency of passenger movement, and accelerates passenger processing time. Upgrades to the overall baggage system and components are critical for modernizing the terminal's baggage system equipment and streamlining the airline/passenger baggage operations for increased efficiency and reliability.

This project is an approved CCIA Capital Improvement Project and will be 95% funded by the Federal Aviation Administration (FAA).

PROJECT TIMELINE:

2024-2025	2025-2026	2026-2028
September - March	April - August	September - February
Design	Bid/Award	Construction

The project schedule indicates a City Council award in August 2026, with anticipated construction completion by February 2028.

COMPETITIVE SOLICITATION PROCESS

On March 30, 2025, the Contracts and Procurement Department issued Request for Bids (RFB) No. 6448 for the construction of the Corpus Christi International Airport (CCIA) Rehabilitate Terminal Building Phase III – Baggage Handling System Improvements Project. On August 30, 2025, the City received bid from one contractor. However, the City rejected the bid due to the bid being over an acceptable budget.

On April 26, 2026, the Contracts and Procurement Department issued a Request for Bids (RFB #6448) for the Corpus Christi International Airport (CCIA) Rehabilitate Terminal Building Phase III – Baggage Handling System Improvements Project. On June 04, 2026, the city received a single bid from one bidder. The city analyzed the bid in accordance with the contract documents and determined SpawGlass Contractors, Inc. was the lowest responsive and responsible bidder. The Engineer's Opinion of Probable Construction Cost was estimated based on the historic data. A summary of the bid is provided below:

BID SUMMARY					
Contractor	Base Bid	Add. Alternate 1	Add. Alternate 2	Add. Alternate 3	Base Bid + Alternates
SpawGlass Contractors, Inc (Corpus Christi)	\$3,443,624.00	\$545,611.00	\$202,340.00	\$374,215.40	\$4,565,790.40
<i>Architect's/Engineer's Opinion of Probable Construction Cost</i>					<i>\$6,165,200,.00</i>

Alternate 1: Outbound baggage conveyor Pier for United Airlines (Phase 1 West Side)

Alternate 2: Outbound baggage conveyor Pier for American Airlines (Phase 1 East Side)

Alternate 3: Exterior canopies for outbound conveyor piers (Both Phases)

SpawGlass Contractors, Inc, has been in business since 1953 and specializes in municipal projects. Their recent experience with projects for the City of Corpus Christi is listed below.

- **CCIA Rehabilitate Terminal Building – Corpus Christi, TX**
Project Value: \$17.9 million. The project included comprehensive infrastructure overhauls, building envelope restorations, and interior amenity modernizations. Upgrade included the total renovation of first- and second-floor public restrooms across both secured and non-secured areas, alongside the creation of a new Service Animal Relief Area and Nursing Room in the secure concourse. Exterior operations focused on structural preservation by re-covering roof sections, applying stucco coatings, and replacing curtain wet glazing and window perimeter seals. Finally, critical facility operations were modernized through the complete replacement of the building's Energy Management System (EMS), cooling towers, main fire alarm control panel, and Emergency backup Power generators. **Project status: Completed January 2026**

- **Surfside Park North Beach Restroom & Parking Facility - Corpus Christi, TX**
Project Value: \$5.9 Million. – The project included the construction of a new restroom facility with a new parking lot and playground area with picnic tables for families. The facility is located at the east end of Surfside Park in North Beach.
Project status: Completed June 2024

ALTERNATIVES:

The alternative is not to award the construction contract to the lowest bidder and responsible bidder, SpawGlass Contractor Inc., Texas. This alternative would delay the project and impede the Council's goals of completing it in a timely manner and within budget, potentially resulting in the loss of FAA Grant Funding.

FISCAL IMPACT:

The fiscal impact for the 5% match requirement is budgeted in the FY26 Airport Capital Reserve Fund in the amount of \$228,290.40. The remaining 95% of funds will be funded from FAA Grant #73 in the Airport CIP Grants Fund in the amount of \$4,337,500.00.

FUNDING DETAIL:

Fund: Apt CIP Grants (Fund 3020)
 Department: Aviation (53)
 Org: Grants and Capital Projects (89)
 Account: Construction (550910)
 Activity: 23102
 Amount \$4,337,500.00

Fund: Airport Capital Reserve Fund (Fund 3018)
 Department: Aviation (53)
 Org: Grants and Capital Projects (89)
 Account: Construction (550910)
 Activity: 23102
 Amount \$228,290.40

Overall Contract Total \$4,565,790.40

RECOMMENDATION:

Staff recommends awarding the construction contract for the Corpus Christi International Airport (CCIA) Rehabilitate Terminal Building Phase III – Baggage Handling System Improvements Project in the amount up to \$4,565,790.40. The procurement / construction duration is planned for 16 months from issuance of the Notice to Proceed to begin construction in September 2026, with completion in February 2028.

LIST OF SUPPORTING DOCUMENTS:

Location Map
 Bid Tabs
 CIP Page
 Power Point Presentation