



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of August 29, 2023

**DATE:** August 29, 2023

**TO:** Peter Zanoni, City Manager

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**Relocation and Reimbursement Agreement with Port of Corpus Christi Authority  
Ship Channel Waterline Removal and Relocation**

**CAPTION:**

Resolution authorizing an Interlocal Cooperation Agreement with Port of Corpus Christi Authority to reimburse \$7,117,722.95 to the City for related engineering and construction costs associated with the removal of two 16-inch waterlines and the installation of a new 24-inch waterline crossing the Corpus Christi Ship Channel located in City Council District 1.

**SUMMARY:**

This item authorizes an Interlocal Cooperation Agreement (ILA) with City of Corpus Christi (City) and Port of Corpus Christi Authority (POCCA) to reimburse \$7,117,722.95 to the City for engineering design and construction costs for the removal of two 16-inch waterlines crossing CCSC at Avery Point and the installation of a 24-inch waterline crossing CCSC at the Tule Lake Turning Basin.

**BACKGROUND AND FINDINGS:**

The United States Army Corps of Engineers (USACE) and POCCA are widening and deepening the Ship Channel. On April 23, 2018, USACE notified the City to remove the existing twin 16-inch water mains crossing the Ship Channel by January 1, 2019, due to conflict with proposed improvements. The City responded to the directive on June 13, 2018, stating the deadline was unrealistic due to multiple reasons and requested an extension.

In February 2020, the City executed a contract with TTL, Inc. for the removal of the waterlines. The project scope included removal of two 16-inch potable waterlines in the CCSC at Avery Point.

In June 2023, the City awarded a construction contract to Miller Bros. for the installation of the waterline. This project scope includes the installation of a new 24-inch waterline beneath the Ship Channel at Tule Lake. The scope also includes a new 8-inch gas line to be installed beneath the

Ship Channel parallel to the new waterline. The 24-inch waterline is approximately 6,800 linear feet and requires a combination of construction techniques, including horizontal directional drilling (HDD), open trench, and auger bore. The 8-inch gas line is approximately 6,850 linear feet and requires a combination of HDD and open trench construction methods.

The ILA will reimburse the City 50% of the actual costs to include planning, engineering and design, project management, geotechnical, environmental, cultural and engineering studies, surveying, removing the two existing 16-inch waterlines and installation of a new 24-inch waterline, regulatory approvals, permitting, scheduling, material procurement, construction, construction management, inspection, non-destructive testing, and site restoration. The work will be split into two phases: Phase I, the removal of the 16-in waterlines, and Phase II, the installation of the new waterlines. The reimbursement payments will occur at 100% of the eligible reimbursement costs at the end of Phase I, and the remaining costs will occur quarterly throughout the duration of Phase II.

**ALTERNATIVES:**

City Council could reject the ILA which would result in the City being responsible for design and construction costs for the removal of the two existing 16-inch waterlines and the installation of the 24-inch waterline.

**FISCAL IMPACT:**

If approved by Council, the fiscal impact in FY 2023 is an amount of \$7,117,722.95.

**FUNDING DETAIL:**

Fund: **Water CIP (Fund 4080)**  
Department: Water (45)  
Organization: Grant & Capital Project Funds (89)  
Project: Ship Channel Waterline Removal and Relocation (Project No. 18156)  
Account: Construction (550910)  
Activity: 18156A-4080-EXP  
Amount: \$7,117,722.95

**RECOMMENDATION:**

Staff recommends approval of ILA.

**LIST OF SUPPORTING DOCUMENTS:**

Location and Vicinity Map  
Resolution  
Interlocal Cooperation Agreement