



AGENDA MEMORANDUM

First Reading Item for the City Council Meeting of October 20, 2015
Second Reading Item for the City Council Meeting of October 27, 2015

DATE: October 15, 2015

TO: Ronald L. Olson, City Manager

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Execute Construction Contract
Municipal Communication Studio Facility Renovation

CAPTION:

Ordinance appropriating \$1,033,210.58 from the Unreserved Fund Balance in No. 1031 Public, Education and Government Cable Fund; changing the FY 2016 Operating Budget adopted by Ordinance No. 030620 to increase expenditures by \$1,033,210.58; and authorizing the City Manager or designee to execute a construction contract with Safenet Services, LLC of Corpus Christi, Texas in the amount of \$619,625 for the City of Corpus Christi Municipal Communication Studio Facility Renovation for the Base Bid.

PURPOSE:

The purpose of this Agenda Item is to execute a construction contract with Safenet Services, LLC for Municipal Communication Studio Facility Renovation.

BACKGROUND AND FINDINGS:

The City of Corpus Christi was one of the last four cities in Texas to transition from a local cable franchise to state issued franchise in 2012. At the time, the City was grandfathered four cable signals maintained according to Public, Education and Government (PEG) programming standards. All four channels originate from City Hall and are carried on cable television providers Time Warner Cable and Grande Communications with an AT&T Uverse expansion in progress. As a result of the change in franchise, the City now receives cable franchise funds dedicated to the capital operation of the channels.

The first major project using capital franchise funds is dedicated to the renovation of an existing space in the City Hall basement to house the infrastructure, studio space and offices for PEG operations. By creating a space dedicated to PEG operations, the City will be able to expand video programming and improve overall quality of channel programming. A dedicated studio operations space will also help prevent issues previously encountered with donated space including scheduling limitations, audio quality and specialized infrastructure requirements including power, lighting and cameras. Most cities receiving PEG franchise funds have already invested heavily in studio operations including Laredo, San Antonio, Houston, McAllen and Austin.

This proposed project scope consists of renovations to an existing 2,500 square foot space at the basement floor level of City Hall. The project includes demolition of existing interior wall partitions, construction of new specialized studio partitions, electrical improvements, HVAC modifications, storm water drainage line relocation, new specialized acoustical sound ceilings, sound rated doors, suspended light grid, cabinetry, and furniture. New studio equipment compatible with existing systems will be included under a separate contract.

On September 9, 2015 the City received a proposal and the bid is as follows:

Contractor	Total Base Bid
Safenet Services, LLC Corpus Christi, Texas	\$619,625

ALTERNATIVES:

1. Execute the Construction Contract with Safenet Services, LLC. as proposed. (Recommended).
2. Do not execute the Construction Contract with Safenet Services, LLC. as proposed. (Not Recommended)

OTHER CONSIDERATIONS:

The Engineer’s Opinion of Probable Construction Cost (OPCC) for the Base Bid is \$571,681.55. The bid of Safenet Services, LLC is greater than the Engineer’s OPCC; however, project funds are available to allow for the construction of the Base Bid for a total construction price of \$619,625. These costs include furnishings associated with studio operations and provide for extensive electrical work required for the high voltage studio equipment and relocation of a storm water drainage line serving city hall.

The price per square foot for this proposed project is \$248/square foot. Other municipal studio facilities under design by the same consultant for the Dallas/Fort Worth area are expected to bid at substantially higher prices.

Facility Location	Cost Price/Estimate	Square Footage	Dollar per Square Foot
Corpus Christi	\$619,625	2,500 sf	\$248/sf
Dallas	\$2,800,000	8,000 sf	\$350/sf
Dallas	\$5,400,000	16,000 sf	\$338/sf

The project was advertised in the Corpus Christi Caller Times twice (consecutive Monday's) and on the website www.Civcastusa.com. The Civcast website tracks information on projects bidding and their records show this project was downloaded by 34 interested parties including:

- 6 general contractors
- 7 sub-contractors
- 2 suppliers
- 8 plan rooms,
- and various others including manufacturers and engineers

A mandatory pre-bid meeting was held on August 18th, 2015 at City Hall and three general contractors attended and toured the project location. Only one of these general contractors submitted a bid. A follow up with the other two contractors resulted in one did not submit a bid due to obligations on other projects and the other did not receive drywall subcontractor bid information in time to meet the bid deadline.

In light of the favorable price, the above information and due to the time and expense to re-bid the project, staff recommends the project be awarded to the sole bidder.

CONFORMITY TO CITY POLICY:

Conforms to statutes regarding Request for Bids process; FY 2015-2016 Operating Budget.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Department of Media, EGovernment, and Communications

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget	\$66,789.42	\$1,033,210.58		\$1,100,000.00
Encumbered/Expended Amount	66,495.86			66,495.86
This item		619,625.00		619,625.00
Future Anticipated Expenditures This Project		366,771.66		366,771.66
BALANCE	\$293.56	\$46,813.92		\$47,107.48

Fund(s): Public, Education & Government Cable

COMMENTS:

The \$1,100,000 grant for this project is for the total cost of constructing and then equipping the studio. At the end of Fiscal Year 2015, all remaining proceeds associated with this project fell to fund balance. This item appropriates the entire balance of the project budget so equipment may be purchased and installed as the work on the studio space is completed. The Construction Contract will result in the expenditure amount not to exceed \$619,625 and the project is estimated to be complete in 150 Calendar Days from the Notice to Proceed.

RECOMMENDATION:

City Staff recommends the approval of the construction contract with Safenet Services, LLC of Corpus Christi, Texas.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Project Budget
Location Map
Presentation