

AGENDA MEMORANDUM Future Item for the City Council Meeting of September 18, 2018 Action Item for the City Council Meeting of September 25, 2018

- **DATE:** August 7, 2018
- **TO:** Keith Selman, Interim City Manager
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## <u>Construction Contract</u> Corpus Christi International Airport (CCIA) Rehabilitate Terminal Apron Phase II and East GA Apron Phase III (Airport Capital Improvement Program)

#### CAPTION:

Ordinance to accept and appropriate Airport Grant #57 in Fund 3020; appropriate and transfer \$725,805 from Fund 4612 to Fund 3018 and authorizing a construction contract with SpawGlass Civil Construction of Corpus Christi, Texas in the amount of \$7,221,798.15 for Base Bid and Alternates for the Corpus Christi International Airport (CCIA) Rehabilitate Terminal Apron Phase II and East General Aviation Apron Phase III projects.

#### PURPOSE:

The project rehabilitates and reconstructs sections of the Terminal Apron and of the East General Aviation (GA) Apron.

#### BACKGROUND AND FINDINGS:

The Terminal Apron and East GA Apron are areas of the airport where aircraft are parked, unloaded or loaded, refueled, or boarded. The Terminal Apron services commercial passenger airlines that access the main Terminal and the East GA Apron services additional aviation activities outside the terminal including the Signature Flight Support Fixed Based Operator (East FBO). The total pavement area of the two aprons is approximately 161,000 square yards (SY)

with approximately 102,000 SY for the Terminal Apron and approximately 59,000 SY for the East General Aviation (East GA) Apron.

The existing apron pavement is a combination of Portland Cement Concrete (PCC) and Hot-Mix-Asphalt-Concrete (HMAC) and is experiencing severe distress with cracking, rutting and concrete spalling. This deterioration creates a high potential for generating "foreign object debris" (FOD). FOD can cause damage to the aircraft when FOD enters engines or gets propelled at high velocities by aircraft engine exhaust or prop wash. The pavement cracking allows water penetration into the base and subgrade accelerating structural degradation of pavement. The existing pavement was also not designed for the current heavier aircraft and equipment loads.

The apron pavement improvements were planned in multiple construction phases. On November 7, 2017, City Council approved the construction contract award for Phase 2 to SpawGlass Civil Construction, Inc., which is currently under construction with plan completion in December 2018. The final phase of construction is planned to start in 2021.

This project is an approved CCIA Capital Improvement Project as a joint Federal Aviation Administration (FAA)/City project with a respective 90/10 percent construction cost sharing.

## Project Scope:

This construction contract provides for full reconstruction for two sections, one on the East GA Apron and one on the Terminal Apron, and for the additional areas of the Terminal Apron. The project was developed with two Base Bids (Option 1 for PCC and Option 2 for HMAC) each with respective additive alternatives. Bidders were allowed to submit a bid on either Option 1, or Option 2, or both options.

Base Bid Option 1 (PCC) and the four (4) respective Additive Alternatives are summarized below:

**Base Bid 1** – Replace existing HMAC with PCC for approximately 5,700 SY of the Terminal Apron and approximately 12,000 SY of the East GA Apron. Rehabilitation consists of repairs for approximately 58,000 SY of the Terminal Apron. Full Reconstruction work includes new cement-treated base, and PCC pavement. Rehabilitation consists of full and partial depth repairs, joint replacement, crack repairs and other miscellaneous items.

Additive Alternate No. 1 – Increased concrete expansion joints repair for approximately 8,000 LF, upgrade concrete joint repair to compressive concrete joint sealant in lieu of silicone concrete joint sealant (Base Bid) for approximately 65,000 LF.

Additive Alternate No. 2 – Increase additional area of the full reconstruction on East GA Apron for an approximate 900 SY of existing HMAC pavement with PCC and associated grading, pavement markings, and electrical improvements.

Additive Alternate No. 3 – Second increase of additional area of the full reconstruction on East GA Apron for approximately 900 SY of existing HMAC pavement with PCC and associated grading, pavement markings, and electrical improvements.

Additive Alternate No. 4 – Upgrade concrete joint repairs to compressive concrete joint sealant in lieu of silicone concrete joint sealant (Base Bid) for approximately 12,000 SY of the East GA Apron PCC pavement.

Base Bid Option 2 (HMAC) and the three (3) respective Additive Alternatives are summarized below:

**Base Bid 2** – Replace existing HMAC with a new HMAC for approximately 5,700 SY of the General Aviation Apron and approximately 12,000 SY of the East GA Apron. Rehabilitation consists of repairs for approximately 58,000 SY of the Terminal Apron. Reconstruction work includes full reconstruction, new aggregate base, asphalt base and HMAC pavement. Rehabilitation consists of full and partial depth repairs, joint replacement, crack repairs and other miscellaneous items.

Additive Alternate No. 1 – Repair concrete joint for approximately 8,000 LF and replace silicone concrete joint sealant with compression concrete joint sealant for approximately 65,000 LF.

Additive Alternate No. 2 – Increase additional area of the full reconstruction on East GA Apron for an approximate 900 SY of existing HMAC pavement with new HMAC and associated grading, pavement markings, and electrical improvements.

Additive Alternate No. 3 – Second increase of additional area of the full reconstruction on East GA Apron for approximately 900 SY of existing HMAC pavement with new HMAC and associated grading, pavement markings, and electrical improvements.

On August 8, 2018 the City received proposals from only one (1) bidder, summarized below:

BID SUMMARY					
SpawGlass	*Engineer's Estimate				
\$6,552,625.56	7,465,165				
\$234,793.50					
\$201,158.43					
\$205,100.66					
\$28,120.00					
7,221,798.15	7,465,165				
	SpawGlass   \$6,552,625.56   \$234,793.50   \$201,158.43   \$205,100.66   \$28,120.00				

	No Bidders	*Engineer's Estimate
Base Bid 2	No Bid	7,465,165
Additive Alternate 1	No Bid	
Additive Alternate 2	No Bid	
Additive Alternate 3	No Bid	
Additive Alternate 4	No Bid	
Total	N/A	7,119,255

\*Government estimate (OPCC) includes Base Bid plus all additive alternates.

Significant effort was made during the bid phase by the design engineer, Garver LLC, to contact approximately 50 construction contractors. A total of 28 general contractors and 22 subcontractors/manufacturers registered as plan holders on the City's CivCast project portal with at least three contractors expressing interest in bidding. Six contractors attended the pre-bid meeting. However, the City only received one construction proposal from the contractor (SpawGlass Civil Construction) that is currently working the previous phase of the CCIA East GA and Terminal Apron Reconstruction project.

After bid opening, the City staff and the Consultant Engineer analyzed the construction proposal and deemed that this bid is a fair and reasonable bid for the City with the following evidence:

- The bidder is a reputable civil contractor and is currently working on working on CCIA East GA and Terminal Apron Reconstruction;
- The bid was below the Engineer's Opinion of Probable Construction Cost (OPCC).

Based on interviews with other contractors they did not bid for the following reasons:

- One expressed concern meeting the FAA and City small disadvantaged business requirements on this project;
- Another Contractor was concerned that they could not compete with the pricing from SpawGlass since they are currently working at the airport.

The FAA is providing the airport with a federal grant (which is discretionary) within this fiscal year. Rebidding the project, which is Engineering Service's practice, would jeopardize awarding the construction contract within this fiscal year. The airport could potentially lose the federal grant. Rebid is not expected to result in additional bidders.

Although the standard policy for a single bid is to re-bid the project, Staff and the design engineer recommend award based on the reasons provided above. Rebidding is not anticipated to result in additional bids or better prices.

# ALTERNATIVES:

- 1. Authorize execution of a construction contract. (Recommended)
- 2. Do not authorize execution of a construction contract. (Not Recommended)

### **OTHER CONSIDERATIONS:**

This construction project complies with FAA rules and regulations.

#### CONFORMITY TO CITY POLICY:

Complies with statutory requirements for construction contract procurement. Conforms to FY 2018 Capital Improvement Planning (CIP) Budget.

#### EMERGENCY / NON-EMERGENCY:

Non-Emergency

#### DEPARTMENTAL CLEARANCES:

Corpus Christi International Airport

## FINANCIAL IMPACT:

Operating	□ Revenue	X Capital	Not applicable	
Fiscal Year 2017-2018	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget		9,152,696.00		9,152,696.00
Encumbered / Expended Amount		335,600.00		335,600.00
This item		7,221,798.15		7,221,798.15
Future Anticipated Expenditures This Project		1,595,297.85		1,595,297.85
BALANCE		0.00		0.00

Fund(s): CIP AV 06, 08

# **RECOMMENDATION:**

Staff and Garver, LLC. recommend awarding the construction contract, Bid Option One (1) plus Additive Alternates No. 1, 2, 3, and 4, to SpawGlass Civil Construction, Inc.

### LIST OF SUPPORTING DOCUMENTS:

Ordinance Project Budget Location Map Presentation Letter of Recommendation Grant 57 Offer