



## **AGENDA MEMORANDUM**

First Reading for the City Council Meeting of July 30, 2019  
Second Reading for the City Council Meeting of August 13, 2019

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**DATE:** July 17, 2019

**TO:** Peter Zanoni, City Manager

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<p style="text-align: center;"><b><u>Construction Contract</u></b> <b>Ayers Street Pedestrian Improvements &amp; Turn Lane Addition</b> <b>(Bond 2014, Proposition 2)</b></p>
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### **CAPTION:**

Ordinance awarding a contract to Haas-Anderson Construction, LTD in the amount of \$11,016,599.50 for construction of Ayers Street Pedestrian improvements and turn lane addition from South Padre Island Drive (SPID) to Gollihar Road for the base bid and additive alternate no. 1 with asphalt pavement; amending the FY2019 Capital Improvement Program Budget to support the use of Bond 2014 Proposition 1 funds, increase the budget, and funds are available in Bond 2014 Streets and various utility funds.

### **PURPOSE:**

This provides for construction of the Ayers Street Pedestrian Improvement & Turn Lane Addition Project to implement critical roadway and sidewalk improvements to enhance public safety along this corridor.

### **BACKGROUND AND FINDINGS:**

The Ayers Street Pedestrian Improvements & Turn Lane Addition project was approved in the Bond 2014 Program with a budget of \$2,000,000. The project was a late addition by City Council to the Bond 2014, Proposition 2 as the result of a pedestrian fatality that occurred along that section of roadway. The project did not have the benefit of a feasibility study or preliminary engineering report as the basis of the project budget.

The original roadway was a 2-lane rigid concrete pavement that was constructed by the Navy in the 1950's as part of the construction of the Cabaniss Field Navy Outlying Field. Ayers Street

was widened in the 1970's and incorporated the rigid concrete into the center lanes of the base/subgrade section of the new asphalt (HMAC) roadway. Currently, Ayers Street from Gollihar to McArdle is 4-lanes with designated left-hand turn lanes at both the Gollihar and McArdle intersections. Ayers Street from McArdle to SPID is 5-lanes with designated left-hand turn lanes at McArdle, and the Mission Plaza mall on Ayers near Nemec Street.

The project requires converting existing roadside drainage ditches to underground culverts with new sidewalks, ADA ramps, curb & gutter, and driveway adjustments. The project includes widening and profile adjustments to accommodate a new center turn lane and dedicated right turn lanes at both Sunnybrook and Mansheim intersections. The signal improvements needed due to widening are included in the Highway Safety Improvements Program (HSIP). This project includes existing on-street head-in parking that must be accommodated to incorporate the new sidewalks and drainage improvements. During the design phase, it was a challenge to provide technically sound design solutions within the scope as described in the brochure language. As design evolved, the scope began to resemble more of a full-reconstruction bond project than a limited retrofit of pedestrian facilities.

The project was originally advertised to bid in February 2018. After extensive contractor questions, the bid was withdrawn to address constructability concerns related to retrofitting improvements to the existing roadway and related structures. Contractors presented challenges with achieving proper compaction of existing materials (rigid concrete center and new asphalt pavement). There were also concerns related to the old concrete roadway that had been left in place when the road was elevated and widened. The major concern being inability to mill the rigid concrete, given the age and hardness, requiring full depth removal of the encroached rigid concrete with full depth replacement using asphalt pavement.

In addition to constructability concerns, Contractors indicated bids would far exceed estimated cost with a few contractors indicating they may not bid the project at all. Therefore, the bid was cancelled, and a redesign strategy implemented to minimize encroachment onto the rigid concrete pavement and provide an alternative to reconstruct the entire pavement section. Staff worked with the design engineer to identify economies to reduce cost of the project.

The design engineer completed the project redesign with a Base Bid for limited street rehab and Additive Alternative No. 1 for full street reconstruction (30-year design). The project also includes an extension of the ADA compliant sidewalk on the east side of Ayers Street from Gollihar to Port Avenue to connect pedestrian accessibility to the Regional Transportation Authority (RTA) Port-Ayers Transfer Station, jointly funded by the City and RTA (Interlocal Agreement approved by City Council in May 2016). The project was re-advertised and bids received in March 2019. Engineering Services and the Street Department believe the project, as revised, represents the best approach going forward.

The project was developed with a **Base Bid** plus **Additive Alternate No. 1** as follows:

**BASE BID** – Widen approximately 3,000 linear feet of Ayers Street to accommodate the addition of a continuous center turn-lane with right turn lanes at SPID, McArdle and Gollihar, new curb & gutter, sidewalks and ADA curb ramps. The base bid includes mill & overlay of the existing pavement within the project limits with utility improvements for storm water, water, wastewater, and gas. This base bid also includes an extension of the sidewalk along the east side of Ayers Street from Gollihar to Port Avenue that is partially funded by the Regional Transit Authority (RTA) under an Interlocal Agreement.

**ADDITIVE ALTERNATE NO. 1** – Provides for full reconstruction of the entire pavement section and deletes the mill & overlay.

On March 20, 2019 the City received proposals from three (3) bidders as shown below.

<b>BID SUMMARY</b>			
<b>CONTRACTOR</b>	<b>BASE BID</b>	<b>ADDITIVE ALT. NO. 1</b>	<b>TOTAL PROJECT BID</b>
<b>Haas-Anderson Construction, Ltd. Corpus Christi, Texas</b>	<b>\$10,373,644.25</b>	<b>\$642,955.05</b>	<b>\$11,016,599.50</b>
Clark Pipeline Services Corpus Christi, Texas	\$11,126,647.16	\$1,929,885.74	\$13,056,532.90
Bay Ltd. Corpus Christi, Texas	\$11,854,859.00	\$1,754,244.70	\$13,609,103.70
<b><i>Engineer's Opinion of Probable Cost</i></b>	<b>\$6,501,705.87</b>	<b>\$335,615.10</b>	<b>\$6,837,320.97</b>

The extended timeline from the bid date to this award was required to receive bids for the last major street project under Bond 2014; Morgan Street Reconstruction (Staples to Ocean Drive) Bond 2014 Proposition 1. This allowed City staff to determine the available funds from the Bond programs. The low bidders agreed to extend their bids during this time.

City staff reconciled Bond 2014 Prop 1 and Prop 2 budgets and updated the estimates to complete all active and future Bond 2014 projects. The reconciliation concluded there are sufficient funds remaining in Bond 2014 combined with accrued interest (\$2.5M) and previous tax notes used for design of Bond 2014 (\$3.0M) to award the Base Bid and Additive Alternate 1 for the construction contract. Awarding the Base Bid and Additive Alternate 1 to Haas-Anderson Construction, Ltd. requires \$5.28M of proceeds from Bond 2014 instead of the \$2M originally authorized on Bond 2014 Prop 2.

#### **ALTERNATIVES:**

1. Authorize award of a contract for construction. (Recommended)
2. Do not authorize award of a contract for construction. (Not Recommended)

#### **OTHER CONSIDERATIONS:**

Lockwood, Andrews & Newman, Inc. is the design engineer that was selected for this project under Request for Qualifications No. 2014-08 (February 2015).

#### **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:**

Street Operations

**FINANCIAL IMPACT:**☐ Operating☐ Revenue☒ **X Capital**☐ Not applicable

<b>Fiscal Year 2018-2019</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget	754,042.00	12,605,939.20		13,359,981.20
Encumbered / Expended Amount	754,042.00			754,042.00
<b>This item</b>		<b>11,016,599.50</b>		<b>11,016,599.50</b>
Future Anticipated Expenditures This Project		1,589,339.70		1,589,339.70
<b>BALANCE</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>

Funds: Street Bond 2014, RTA, Utilities CIP Funds

**This Item:**

Street Bond CIP Fund 3551: \$5,208,044.33  
 RTA Receivable Fund 3530: 80,000.00  
 Storm Water CIP Fund 3497: 3,616,185.24  
 Water CIP Fund 4098: 1,761,077.18  
 Wastewater CIP Fund 4510: 332,409.31  
 Gas CIP Fund 4551: 18,883.44

**RECOMMENDATION:**

Staff and Lockwood, Andrews and Newnam, Inc. recommend awarding the construction contract to Haas-Anderson Construction, Ltd. for the Base Bid plus Additive Alternate 1.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance  
 Project Budget  
 Location Map  
 Presentation  
 Letter of Recommendation  
 Bid Tab