



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of December 22, 2020

**DATE:** December 10, 2020

**TO:** Peter Zaroni, City Manager

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**Award of Construction Contract**  
Cole Park Pier Improvements

**CAPTION:**

One-reading ordinance awarding a construction contract to JM Davidson Ltd. for Cole Park Pier Improvements, located in Council District 2, in an amount not to exceed \$7,542,527.00; appropriating \$4,415,430.00 from the Type B Sales Tax Fund, \$1,250,000.00 from the Community Enrichment Fund, and \$1,877,097.00 from the General Fund unreserved fund balance (to be reimbursed to the General Fund after a deductive change order is executed) and amending the operating and capital budgets.

**SUMMARY:**

This item awards a construction contract for Cole Park Pier Improvements and authorizes a change order to de-scope aspects of the project. The project includes demolition of the existing pier, construction of the new pier, and park improvements.

**BACKGROUND AND PURPOSE:**

Cole Park is one of the City's busiest regional parks and is highly used by residents and visitors. Cole Park Pier was constructed in 1971 and is widely used for general recreation and fishing. The pier was constructed with driven concrete piling with precast concrete caps that support the precast walkway and fishing pier. In April 2018, the pier was closed for public access due to public safety concerns from the pier's structural integrity. The pier structure subsequently

experienced a partial collapse of the first few concrete walkway panels connecting the pier to the shoreline.

On July 23, 2018, Council passed a motion of direction to include \$1,288,000.00 on the Bond 2018 program for splash pads and shade structures. During a subsequent Council workshop on August 10, 2018, Council passed a motion of direction to re-purpose the splash pad and shade structure funds for restoration and improvements of the Cole Park and Dimitt fishing piers. The approved funding for Bond 2018 was insufficient to complete the projects and additional funding would have to be identified. The Bond 2018 brochure clearly stated that the approved Bond funding was partial for project completion.

Since Bond 2018 approval, staff has been working to identify supplemental funding to complete both pier projects. The Type A Board has pledged funds for the project. The Parks and Recreation Department has also identified Community Enrichment Funds that can be utilized for the project. Grant funding options were explored but the City was unable to identify any material source of funding.

On February 11, 2020, City Council awarded a contract to Jacobs Engineering Group, Inc., for preliminary design of the Cole Park Pier improvements and an amendment on July 21, 2020 to complete the project design. Bids were opened on December 9, 2020. The low bid was submitted by JM Davidson, Ltd of Aransas Pass, TX in an amount of \$7,542,527.00. The low bid exceeds the available funding for the project. Staff has determined that the low bid is competitive and recommends awarding the contract to JM Davidson. To complete the full scope of the project as bid, an additional \$2.2 million of funding would be required.

Due to the insufficient funds available to complete the full scope, staff is recommending that the contract be awarded with the understanding that a deductive change order will be negotiated prior to issuing the notice to proceed. The deductive change order has a value of \$2.2 million less any additional funds that may be identified prior to issuance of the notice to proceed early next year.

The change order will not shorten the length or materially change the pier structure itself. It will however, remove, most of the proposed land side improvements and many of the architectural features if additional funds are not identified.

**PROJECT TIMELINE:**



Project schedule reflects City Council award in December 2020 with anticipated completion by August 31, 2021. The contract completion date was originally scheduled for July 31, 2021 but JM Davidson, Ltd has indicated that it would not be possible to meet that schedule with the precast concrete manufacturing timeline. The contractor's anticipated completion date is August 30, 2021. That is beyond the contract period of performance, however, the contractor has stated that he has included liquidated damages in his bid and is willing to credit the City for those anticipated liquidated damages as part of the change order if the completion date is adjusted.

**COMPETITIVE SOLICITATION PROCESS**

The Contracts and Procurement Department issued a Request for Bids. On December 9, 2020, the City received bids from three bidders. The City analyzed the bids in accordance with the contract documents and determined JM Davidson, Ltd. is the lowest responsive and responsible bidder. JM Davidson has previously completed the Shoreline Protection project for Port Aransas Marina Association, Replace Fishing Pier Project for Texas Parks and Wildlife and Marina and Docks Survey, Repair and Redesign Project for University of Texas Marine Institute and other projects in Texas. A summary of the bids is provided below:

<b>BID SUMMARY</b>	
<b>CONTRACTOR</b>	<b>BASE BID</b>
JM Davidson, Ltd.	\$7,542,527.00
Russell Marine, Ltd.	\$7,895,000.00
Kiewitt Infrastructure South, Co.	\$11,760,000.00
<b><i>Engineer's Opinion of Probable Construction Cost</i></b>	<b><i>\$5,539,700.00</i></b>

**ALTERNATIVES:**

Council could reject the bids and re-advertise; however, that is not likely to produce a lower bid. The design could be altered prior to re-advertising to better target available funds. Either of those options will delay the Cole Park Pier project.

**FISCAL IMPACT:**

The fiscal impact in FY 2021 is an amount of \$7,542,527.00 with funding available from the General Fund, Type B Sales Tax Fund, and Community Enrichment Fund. Of the \$7,542,527.00, \$1,877,097.00 from the General Fund unreserved fund balance will be reimbursed to the General Fund after a deductive change order is executed.

**FUNDING DETAIL:**

Capital Improvement Program shows the funds for the projects will be funded through Community Enrichment Funds, G.O. Bond and Grant Funds and Type A/B Sales Tax. Funds from G.O. Bond and Grant funds were not available. There was a shortage of funds from Type A/B Sales Tax than anticipated. The shortfall of funds will be funded from the unreserved fund balance of the General Fund until a deductive change order is executed.

Fund: 1020 – General Fund  
Organization/Activity: 1020-12920-141  
Mission Element: 141

Project # (CIP Only): 18171 Cole Park Pier  
Account: 251850 – Appropriable Fund Balance  
Amount: \$1,877,097.00

Fund: 1146 – Type B -Economic Development Fund  
Organization/Activity: 1146-15050-707  
Mission Element: 707  
Project # (CIP Only): 18171 Cole Park Pier  
Account: 251850 – Appropriable Fund Balance  
Amount: \$4,415,430.00

Fund: 4720 – Community Enrichment Fund  
Organization/Activity: 4720-13042-141, 4720-21300-141, 4720-21316-141,  
4720-21336-141, 4720-21383-141, 4720-21400-141,  
4720-21409-141, 4720-21429-141, 4720-21460-141,  
4720-21629-141, 4720-21637-141  
Mission Element: 141  
Project # (CIP Only): 18171 Cole Park Pier  
Account: 550030 – Improvements other than Building  
Amount: \$1,250,000.00

**RECOMMENDATION:**

Staff recommends awarding a construction contract for Cole Park Pier Improvements to JM Davidson Ltd.

**LIST OF SUPPORTING DOCUMENTS:**

Location Maps  
Contract