



## AGENDA MEMORANDUM

First Reading for the City Council Meeting of January 14, 2020

**DATE:** December 20, 2019

**TO:** Peter Zaroni, City Manager

**FROM:** Jeff H. Edmonds, P. E., Director of Engineering Services  
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**Construction Contract Award**  
**Park Road 22 Bridge**

**CAPTION:**

Motion awarding a construction contract to Haas-Anderson Construction, Ltd., for Park Road 22 Bridge construction in the amount of \$13,943,536, the project is located in City Council District 4 and the contract will be effective upon issuance of notice to proceed, this project is included in the TIRZ#2 Project Plan and funding is available from: Street Bonds 2004 and 2008, Tax Notes 2008; TIRZ#2 and FY 2020 Utility CIP.

**SUMMARY:**

This motion approves a construction contract with Haas-Anderson Construction, Ltd., for Park Road 22 Bridge construction in the amount of \$13,943,536.00.

**BACKGROUND AND FINDINGS:**

On February 21, 2017, the TIRZ #2 Board met and approved an amendment to the Project & Financing Plan to use funds from TIRZ #2 to support the construction of two one-way bridges spanning Park Road 22. City Council approved this amendment on February 20, 2018. In April 2019, the TIRZ #2 Board, the North Padre Island Development Corporation and City Council approved the appropriation of \$4,000,000 of TIRZ #2 funds for the construction of Park Road 22 Bridge.

Diamond Beach Holdings, LLC (DBH) and Padre Island Holdings, LLC (PIH) are the current owners of land adjacent to the proposed location of the Park Road 22 Bridge. DBH and PIH are proposing to build a canal to create a water connection under the Park Road 22 Bridge and provide for connectivity from the existing canal system owned by the Padre Island Property Owners Association to the Packery Channel.

A Developer Agreement for Park Road 22 Bridge was originally approved by City Council on April 23, 2019. That agreement lays out the requirements for the City to construct the proposed bridge and the Developer to construct the canal. The original agreement required the City to award the construction contract for the bridge after the Developer completed the canal construction. A revised agreement was approved by City Council on December 17, 2019. The revised agreement allows for the City to award the bridge construction contract prior to completion of the canal and issue a limited notice to proceed for purposes of exploring the potential for cost saving design modifications.

**PROJECT TIMELINE:**

2019			2020											2021	
O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J
Bid/Award			Construction												

Project schedule reflects City Council award in February 2020 with anticipated completion in January 2021.

**COMPETITIVE SOLICITATION PROCESS**

On October 25, 2019, the City received bids from two bidders. The City analyzed the bids in accordance with the contract documents and determined Haas-Anderson Construction, Ltd. is the lowest responsive and responsible bidder. Haas- Anderson has successfully completed numerous City street projects. Due to the fact that the bids came in slightly higher than anticipated and the developer has to complete a certain amount of work before the contract for the bridge can be started, a limited notice to proceed will be issued to do a value engineering exercise to determine if there are cost savings that can be implemented. If that exercise is successful, a change order will be issued to reduce the cost and share the savings with the Contractor. A summary of the bids is provided below:

BID SUMMARY	
CONTRACTOR	BASE BID

Haas-Anderson Ltd. Corpus Christi, TX	\$13,943,536.00
Bay Ltd. Corpus Christi, TX	\$16,125,100.50
<b>Engineer's opinion of probable construction cost</b>	<b>\$12,580,000.00</b>

**ALTERNATIVES:**

One alternative is not to award the construction contract to the low-bidder, Haas-Anderson Ltd., Corpus Christi, TX. A second alternative is to cancel the project. Neither alternative is recommended so the project may start with a limited notice to proceed.

**FISCAL IMPACT:**

The item proposes to award a construction contract Haas-Anderson Ltd., for Park Road 22 Bridge construction in the amount of \$13,943,536, this project is included in the TIRZ#2 Project Plan and funding is available from: Street Bonds 2004 and 2008, Tax Notes 2008; TIRZ#2 and FY 2020 Utility CIP, the project is located in City Council District 4 and the contract will be effective upon issuance of notice to proceed. Street charges are \$13,090,765.33 and utility charges are \$852,770.67

**FUNDING DETAIL:**

Fund: **Packery Channel Project TIF 2 (Fund 3278)**  
Mission Elem: Economic Development (ME 717)  
Project No.: Park Road 22 Bridge (Project #170062)  
Account: Construction (Account #550910)  
Activity: 170062-01-3278-EXP  
Amount: \$6,884,815.66

Fund: **Street 2005 General Obligation Bond 2004 (Fund 3541)**  
Mission Elem: Maintain Pavement (ME 051)  
Activity: 170062-01-3541-EXP  
Amount: \$1,074,676.91

Fund: **Street 2007A General Obligation Bond 2004 (Fund 3544)**  
Mission Elem: Maintain Pavement (ME 051)  
Activity: 170062-01-3544-EXP  
Amount: \$223,072.21

Fund: **Street 2008 Tax Note (Fund 3545)**  
Mission Elem: Maintain Pavement (ME 051)  
Activity: 170062-01-3545-EXP  
Amount: \$103,480.16

Fund: **Street 2012 General Obligation Bond 2008 (Fund 3548)**  
Mission Elem: Maintain Pavement (ME 051)

Activity: 170062-01-3548-EXP  
Amount: \$4,804,720.39

Fund: **Storm Water 2020 (Fund 4532)**  
Mission Elem: Drainage Infrastructure (ME 043)  
Activity: 170062-01-4532-EXP  
Amount: \$178,643.95

Fund: **Water 2020 (Fund 4099)**  
Mission Elem: Distribute Water (ME 041)  
Activity: 170062-01-4099-EXP  
Amount: \$625,042.32

Fund: **Wastewater 2020 (Fund 4257)**  
Mission Elem: Wastewater Collection System (ME 042)  
Activity: 170062-01-4257-EXP  
Amount: \$49,084.40

**RECOMMENDATION:**

Staff recommends awarding the construction contract with a limited notice to proceed for the reconstruction of Park Road 22 Bridge to Haas- Anderson Ltd. Corpus Christi, TX in the amount of \$13,943,536. The construction duration is planned for 12 months from issuance of the Notice to Proceed to begin construction in February 2020 to January 2021.

**LIST OF SUPPORTING DOCUMENTS:**

Location Map  
Bid Tab