



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting April 25, 2023
Second Reading Ordinance for the City Council Meeting May 09, 2023

DATE: April 25, 2023

TO: Peter Zanoni, City Manager

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<p style="text-align: center;"><u>Construction Contract Award</u> SEA District - Water Garden Water Features</p>

CAPTION:

Ordinance authorizing a construction contract with Fulton Construction Inc., Corpus Christi, Texas, for the restoration of the Water Gardens in an amount not to exceed \$7,651,481.00, with funding available from Seawall Capital Improvement Fund; appropriating \$3,500,000.00 from the Seawall unreserved fund balance to the Seawall Capital Improvement Fund; and amending the FY 2023 Capital Improvement Budget.

SUMMARY:

This ordinance requests additional funding for the Water Garden Fountain restoration project and authorizes a construction contract with Fulton Construction Inc., of Corpus Christi, Texas.

BACKGROUND AND FINDINGS:

The Water Garden Fountain was constructed in 1987 and is located in the Sports, Entertainment, Arts (SEA) district, between the American Bank Center and The Art Museum of South Texas. The Water Garden Fountain is a crucial entertainment destination in Corpus Christi which attracts visitors and improves the economic development value of the downtown Seawall.

The original design located all switchgear and mechanical equipment in an underground vault that has a floor elevation of negative four Mean Sea Level. The vault, therefore, relied on mechanical pumping to prevent flooding. Consequently, the vault has suffered repeated flooding events throughout the Water Garden's history. The Water Garden suffered the latest catastrophic flooding following Hurricane Harvey. It has been unserviceable since that time.

Type A passed a resolution in June 2018 declaring the project eligible for Seawall funds. It was added to the Seawall CIP later that year. In 2019, the City awarded a design contract that would replace the electrical and mechanical equipment and relocate it into a new aboveground

pumphouse. The design was completed, and the project was advertised for bid in March 2020, but no bids were received.

After the March bid received no responses, discussions with potential bidders and the design engineer resulted in seeking additional funding in the FY 20-21 Seawall CIP. The Type A Board was not willing to approve the amounts sought and the project was removed from the FY 20-21 Seawall CIP.

The City subsequently engaged in a value engineering exercise and developed a design concept that staff believed could be implemented for roughly half of the previously sought construction amounts. That concept was advertised as a Design-Build procurement and the City received a single response on June 16 from an interested contractor. That contract is currently under negotiation.

The new project will restore the water feature to operation, replace all electrical and mechanical equipment, add resiliency against flood damage, restore damage to surfaces and appurtenances, and add functionality such as programmable LED lighting. The funding for the project was approved with FY 2022 Capital Improvement Program (CIP) in an amount of \$4,500,000.00 for design and construction.

On June 14, 2022, City Council passed a motion awarding a design/build contract with Fulton Construction, Inc., and authorizing the design phase services for the restoration of the SEA district water features in an amount up to \$375,000.00.

Negotiations are underway with Fulton Construction, Inc. for the guaranteed maximum price (GMP) proposal as part of the design-build contract for the Water Garden Restoration Project. To date, the City has only authorized design services. Fulton has provided a cost estimate based on the 60% design. Based on investigations during the design phase, additional work is going to be required. For example, CCTV inspection has determined that much of the existing piping is damaged. The current estimate includes the replacement of all existing poly vinyl chloride (PVC) water supply piping. The estimated cost is \$3.5 million higher than the original budget due to additional scope items.

On Monday, April 17, Type A Board unanimously approved additional funding in the amount of \$3.5 million. City staff will bring an amendment establishing the GMP to City Council for consideration on April 25. Construction is estimated to take seven months from issuance of the Notice to Proceed. The City will budget maintenance funds for the maintenance of the Water Garden beginning in FY 2024. The City's Parks & Recreation Department will manage both the maintenance and the programming for this facility beginning in FY 2024.

ALTERNATIVES:

The alternative is to reject the request for funding. This will result in the continuance of an unusable feature to the City and have an impact on economic development.

FISCAL IMPACT:

The fiscal impact in FY 2023 is an amount of \$7,651,481.00. This action includes the additional \$3,500,000.00 from the Type A Seawall Sales Tax Fund unreserved balance will be appropriated to the Seawall Capital Fund to support this project.

Funding Detail:

Funds will be transferred from the Type A fund account to Seawall Capital Fund account.

Fund:	Seawall Fund (3271)
Organization/Activity:	E16458-01-3271-EXP
Department:	Economic Development (57)
Project # (CIP Only):	E16458 Water Garden
Account:	550910
Amount:	\$7,651,481.00

RECOMMENDATION:

Staff recommends authorizing the request for funding in an amount of \$3,500,000.00 from the Type A Sales Tax unreserved fund balance to support the Water Garden Fountain restoration project and authorizing a construction contract with Fulton Construction Inc., Corpus Christi, Texas, for the construction of the Restoration of the SEA District Water Features (Water Garden Fountain) in an amount not to exceed \$7,651,481.00.

LIST OF SUPPORTING DOCUMENTS:

Location Maps
CIP Page
Updated CIP Page
Presentation