



# City of San Antonio

## Agenda Memorandum

**File Number:** 16-2883

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**Agenda Item Number:** 11.

**Agenda Date:** 6/2/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Transportation & Capital Improvements

**DEPARTMENT HEAD:** Mike Frisbie, P.E.

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

2016-2017 Task Order Construction Contracts for Federally-Funded Projects

### **SUMMARY:**

Consideration of the following two federally-funded contracts totaling \$4,439,942.10 for the 2016-2017 Task Order Construction Contracts for Federally Funded Projects:

- A) An ordinance awarding the 2016-2017 Task Order Contract for Federally Funded Projects, to Friesenhahn Paving, LLC, in an amount not to exceed \$2,995,398.20, of which \$61,250.00 will be reimbursed by San Antonio Water System, for the construction of federally-funded projects, located throughout the City.
- B) An ordinance awarding the 2016-2017 Task Order Contract for Federally-Funded Projects, to J&P Paving Company, Inc., in an amount not to exceed \$1,444,543.90, of which \$30,500.00 will be reimbursed by San Antonio Water System, for the construction of federally-funded projects, located throughout the City.

### **BACKGROUND INFORMATION:**

#### Project Background

On January 14, 2016, City Council authorized the reprogramming of Community Development Block Grant (CDBG) funds in the amount of \$3.5 million, to complete capital infrastructure projects located in District 2

and in the REnewSA Target Areas. REnewSA is a collaborative initiative for organizing and strategically deploying community development tools administered by multiple City departments and partner organizations to create value from vacant, neglected and underutilized properties in commercial corridors and neighborhoods. The target areas throughout the City were approved by City Council on August 1, 2013, and were selected with specific criteria, which included the ability to leverage existing or planned public investment. Additionally, it is anticipated that \$1.7 million in federal funds will be available in FY 2017 to complete infrastructure improvements in the EastPoint Neighborhood.

The projects associated with these contracts include, but is not limited to, the construction of sidewalks, curbs, wheelchair ramps, retaining walls, street improvements, and any other work required for the completion of the assigned projects located throughout the City. SAWS' participation on these contracts is necessary in order to complete adjustments to its existing infrastructure within the project limits that impact City projects. SAWS will reimburse its improvement costs to the City of San Antonio based on the bid unit prices received per these construction contracts.

In order to facilitate the completion of these construction projects and other federally-funded projects that may materialize throughout the FY 2016-2017, the Transportation and Capital Improvements Department (TCI) solicited bids for construction services and is recommending the use of Friesenhahn Paving, LLC and J&P Paving Company, Inc. to complete these improvements.

#### Procurement of Services

- A) This Contract was advertised for construction bids in February 2016, in the San Antonio Hart Beat, on the City's website, and in the Texas Electronic State Business Daily and on TVSA. Bids were due on March 8, 2016 and six bidders responded. Of these, Friesenhahn Paving, LLC submitted the lowest responsive bid.
  
- B) This Contract was advertised for construction bids in February 2016, in the San Antonio Hart Beat, on the City's website, on the Texas Electronic State Business Daily, and on TVSA. Bids were due on March 29, 2016 and nine bidders responded. Of these, J&P Paving Company, Inc. submitted the lowest responsive bid.

These contracts will be awarded in compliance with the U.S. Department of Housing and Urban Development's Section 3 program, which requires economic opportunities be directed to low-income persons and businesses. The Office of Grants Monitoring and Administration will review and approve a Section 3 Utilization Plan submitted by the Respondent prior to the commencement of contract activity, as required by HUD 108 funding requirements. Reporting of actual activity will be required on a monthly basis until project completion.

These Task Order contracts were developed utilizing the formal competitive bid process. Therefore, a Discretionary Contracts Disclosure Form is not required.

#### **ISSUE:**

Consideration of the following two federally-funded contracts totaling \$4,439,942.10 for the 2016-2017 Task Order Construction Contracts for Federally Funded Projects:

- A) This ordinance for the 2016-2017 Task Order Contract for Federally-Funded Projects, Package 3 accepts the lowest responsive bid from Friesenhahn Paving, LLC in an amount not to exceed \$2,995,398.20, of which \$61,250.00 will be reimbursed by San Antonio Water System for the

construction of federally-funded projects located throughout the City.

- B) This ordinance for the 2016-2017 Task Order Contract for Federally-Funded Projects, Package 4 accepts the lowest responsive bid from J&P Paving Company, Inc. in an amount not to exceed \$1,444,543.90, of which \$30,500.00 will be reimbursed by San Antonio Water System for the construction of federally-funded projects located throughout the City.

These Task Order Contracts for Federally-Funded Projects will be utilized primarily to complete projects that already have received federal funding. These contracts also may be used to construct other federally-funded projects that materialize throughout the contract term. The projects associated with these contracts include, but is not limited to, the construction of sidewalks, curbs, wheelchair ramps, retaining walls, street improvements, and any other work required for the completion of the assigned projects located throughout the City.

Potential funding sources for individual work orders include, but are not limited to, Community Development Block Grants/HUD 108, REnewSA Strategic Catalytic projects and EastPoint, Federal Highway Administration (FHWA) and other potential federal funding sources.

**ALTERNATIVES:**

As an alternative Council could either individually bid out the projects for construction or require the utilization of TCI in-house staff. However, bidding out the projects individually could result in much higher costs for these projects and TCI does not have the capacity to construct the volume of work that is needed.

**FISCAL IMPACT:**

Requirements for each task shall be detailed in the individual work orders assigned. If funding for any work activities is not previously appropriated, funding will be identified and appropriated through subsequent City Council action.

Funding for these projects may include, but is not limited to, Community Development Block Grants/HUD 108, REnewSA Strategic Catalytic projects and EastPoint, Federal Highway Administration (FHWA) and other potential federal funding sources.

**RECOMMENDATION:**

Staff recommends approval of the following two federally-funded contracts totaling \$4,439,942.10 for the 2016-2017 Task Order Construction Contracts for Federally Funded Projects:

- A) An ordinance awarding the 2016-2017 Task Order Contract for Federally Funded Projects Package 3, to Friesenhahn Paving, LLC, in an amount not to exceed \$2,995,398.20, of which \$61,250.00 will be reimbursed by San Antonio Water System, for the construction of federally-funded projects, located throughout the City.
- B) An ordinance awarding the 2016-2017 Task Order Contract for Federally-Funded Projects Package 4, to J&P Paving Company, Inc., in an amount not to exceed \$1,444,543.90, of which \$30,500.00 will be

reimbursed by San Antonio Water System, for the construction of federally-funded projects, located throughout the City.