



# City of San Antonio

## Agenda Memorandum

**File Number:**20-3600

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**Agenda Item Number:** 10B.

**Agenda Date:** 6/11/2020

**In Control:** City Council A Session

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**DEPARTMENT:** Public Works

**DEPARTMENT HEAD:** Razi Hosseini, P.E., R.P.L.S.

**COUNCIL DISTRICTS IMPACTED:** Council District 1

### **SUBJECT:**

Contract Amendment & Reimbursement Agreement: Broadway Street Corridor: Lower Segment (E. Houston to IH-35) (2017 Bond)

### **SUMMARY:**

Consideration of the following items related to the Broadway Street Corridor: Lower Segment (E. Houston to IH-35) project, a 2017 Bond funded, located in Council District 1:

- A. An ordinance approving the execution of an amendment in the increased total amount not to exceed \$10,000,000.00 to the \$32,700,000.00 Design-Build Services Agreement with Sundt Construction, Inc. for design and construction services for additional joint-bid utility work associated with the Broadway Corridor -Lower Segment (Houston to IH 35) Project, a 2017 Bond funded project, located in Council District 1. Of this total amendment amount, \$4,000,000.00 will be reimbursed by AT&T and \$6,000,000.00 will be reimbursed by CPS Energy. Funding is available from 2017 - 2022 General Obligation Bond Program and is included in the FY 2020 - FY 2025 Capital Improvement Program.
- B. An ordinance approving the acceptance of funds in the amount not to exceed \$4,000,000.00 from AT&T and \$6,000,000.00 from CPS Energy; and, authorizing the appropriation and amending of the FY 2020 - FY 2025 Capital Improvements Program Budget with these funds for joint-bid utility work associated with Broadway Street Corridor: Lower Segment (E. Houston to IH-35), a 2017 Bond funded project, located in Council District 1.

## BACKGROUND INFORMATION:

### Project Background

On May 6, 2017, San Antonio voters approved the 2017-2022 Bond Program. As part of Proposition 1, Streets, Bridges & Sidewalk Improvements, funds in the amount of \$42,000,000 was approved for improvements associated with the Broadway Corridor from Houston Street to Hildebrand Avenue. Due to extensive project limits and scope, the project is being constructed in three segment phases:

- Lower Segment: Houston Street to IH-35
- Upper Segment Phase 1: IH-35 to Mulberry Avenue
- Upper Segment Phase 2: Mulberry Ave to Burr Road

The lower segment is located from East Houston Street to IH-35, is city-owned right-of-way, and is currently being delivered via a separate design-build contract with Sundt Construction, Inc. Project scope for the lower segment includes roadway reconstruction, sidewalks and pedestrian amenities, adjacent buffered bicycle lanes (N. Alamo & Avenue B), traffic signal and lighting improvements, underground drainage, and associated work. The upper segment (current design solicitation) from IH-35 to Mulberry is TxDOT owned. Project scope for the upper segment includes roadway reconstruction, sidewalks and pedestrian amenities, bike lanes along Broadway and adjacent bike lanes along Avenue B, traffic signal and lighting improvements, underground drainage, and low impact development (LID) features. TxDOT and the Federal Highway Administration (FHWA) will contribute additional funds towards the construction of the upper segment once design is complete. The environmental clearances and schematic design are currently underway.

### Previous Council Action

A previously executed Design-Build contract with Sundt Construction, Inc. for the lower segment in the amount of \$32,700,000.00 was approved by City Council on May 17, 2018 through Ordinance 2018-05-17-0347. A subsequent amendment to the contract was approved by City Council on November 14, 2019 through Ordinance 2019-1-04-0949 in the amount of \$6,000,000.00. This amendment will increase the contract by \$10,000,000.00 to a contract amount of \$48,700,000.00.

The following table illustrates the previously authorized amendments since execution of this contract:

<b>Item</b>	<b>Amount</b>
Original Contract Value	\$ 32,700,000.00
Previously Authorized Amendments	\$ 6,000,000.00
Proposed Amendment	\$ 10,000,000.00
<b>Revised Contract Value</b>	<b>\$ 48,700,000.00</b>

## ISSUE:

Consideration of the following items related to the Broadway Street Corridor: Lower Segment (E. Houston to IH-35) project, a 2017 Bond funded, located in Council District 1:

- A. This ordinance approves the execution of an amendment in the increased total amount not to exceed \$10,000,000.00 to the \$32,700,000.00 Design-Build Services Agreement with Sundt Construction, Inc. for design and construction services for additional joint-bid utility work associated with the Broadway Corridor -Lower Segment (Houston to IH 35) Project, a 2017 Bond funded project, located in Council District 1. Of this total amendment amount, \$4,000,000.00 will be reimbursed by AT&T and \$6,000,000.00 will be

reimbursed by CPS Energy. Funding is available from 2017 - 2022 General Obligation Bond Program and is included in the FY 2020 - FY 2025 Capital Improvement Program.

This amendment will compensate the Design-Build Team for the design and construction costs related to the Broadway lower segment project for the additional joint utility work. Sundt will convert CPS Energy overhead electric to underground electric and construct a new underground conduit structure and manholes to accommodate for the relocation of AT&T's facilities.

- B. An ordinance approving the acceptance of funds in the amount not to exceed \$4,000,000.00 from AT&T and \$6,000,000.00 from CPS Energy; and, authorizing the appropriation and amending of the FY 2020 - FY 2025 Capital Improvements Program Budget with these funds for joint-bid utility work associated with Broadway Street Corridor: Lower Segment (E. Houston to IH-35), a 2017 Bond funded project, located in Council District 1.

The acceptance of the funds from AT&T and CPS Energy is necessary to ensure full funding of the added joint-bid utility work associated with the Broadway Street Corridor: Lower Segment (E. Houston to IH-35) Project. AT&T and CPS Energy will reimburse the City for all costs associated with the design and construction of their utility facilities.

**ALTERNATIVES:**

- A. As an alternative, City Council could choose not to approve this amendment; however this would adversely affect the timely completion of the Broadway lower segment (Houston to IH 35) Project. Furthermore, re-advertising the project would not guarantee an experienced or as qualified contractor as Sundt Construction, Inc. who has worked on all prior project design phases and is working on the construction.
- B. As an alternative, City Council could choose not to accept the funds from AT&T and CPS Energy; however, without the acceptance of the funds, City will lose the opportunity to collaborate with these utilities agencies to construct their adjustments and relocations before the City can begin construction of the Project. This will delay the timely completion of the Project resulting in an extended inconvenience to the public.

**FISCAL IMPACT:**

- A. This is a one-time capital improvement expenditure in the total amount not to exceed \$10,000,000.00 authorized payable to Sundt Construction, Inc.. Of this total amount, \$4,000,000.00 will be reimbursed by AT&T and \$6,000,000.00 will be reimbursed by CPS Energy. Funding is available from the 2017 - 2022 General Obligation Bond Program and is included in the FY 2020 - FY 2025 Capital Improvement Program.
- B. This ordinance approves the acceptance of reimbursable funds in the amount not to exceed \$4,000,000.00 from AT&T and \$6,000,000.00 from CPS Energy for joint-bid utility work associated with the Broadway Street Corridor: Lower Segment (E. Houston to IH-35). This ordinance also approves the appropriation and amending of the FY 2020 - FY 2025 Capital Improvements Program with these funds for the Broadway Street Corridor: Lower Segment (E. Houston to IH-35) Project.

**RECOMMENDATION:**

Staff recommends approval of the following items related to Broadway Corridor-Lower Segment (Houston to IH 35) Project:

- A. Staff recommends approval of this ordinance approving the execution of an amendment in the increased total amount not to exceed \$10,000,000.00 to Design-Build Services Agreement with Sundt Construction, Inc. for design and construction services for additional joint-bid utility work associated with the Broadway Corridor-Lower Segment (Houston to IH 35) Project.
- B. Staff recommends approval of this ordinance approving the acceptance of funds in the amount not to exceed \$4,000,000.00 from AT&T and \$6,000,000.00 from CPS Energy; and, authorizing the appropriation and amending of the FY 2020 - FY 2025 Capital Improvements Program Budget with these funds for joint-bid utility work associated with Broadway Street Corridor: Lower Segment (E. Houston to IH-35).