



# City of San Antonio

## Agenda Memorandum

**File Number:**17-4855

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**Agenda Item Number:** 5.

**Agenda Date:** 10/5/2017

**In Control:** City Council A Session

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**DEPARTMENT:** Transportation & Capital Improvements

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

**COUNCIL DISTRICTS IMPACTED:** Council District 7

### **SUBJECT:**

Change Order: Callaghan Road Project for CPS Energy

### **SUMMARY:**

An ordinance authorizing a CPS Energy driven change order in the increased amount of \$140,314.76 payable to Harper Brothers Construction with funds from CPS Energy for the Callaghan Road project, a 2012-2017 General Obligation and federally-funded project, located in Council District 7.

### **BACKGROUND INFORMATION:**

The 2012-2017 General Obligation Bond Program authorized \$6,630,000.00 for the city's share of funding for the Callaghan Road Project. The balance of the Project funds approved shall be used for design services, environmental services, advertising, property acquisition and project management. The project provides the reconstruction of the roadway, sidewalks, curbs, a shared use path and drainage from IH 410 to Spur 421 (Bandera Road). Project construction began in March 2016 and is estimated to be completed by February 2018.

CPS Energy has requested a change order in the amount of \$140,314.76 in order to install an above ground natural gas regulator station at Callaghan Road and Evers Road intersection in order to eliminate two existing below ground stations in vaults. Harper Brothers Construction will upgrade the pipe that goes into the regulator station which requires the upsizing of a proposed 12 inch steel gas main to a 16" steel gas main and reconfiguring the installation of the gas main tie-in location at the regulator station. CPS Energy will install the actual regulator station.

The increase in pipe diameter and the proposed regulator station are required due to the increase demand and low pressure issues in the vicinity of the project. CPS Energy has submitted signed and sealed plan sheets and approved the revised quantities and unit prices. This change order will not result in increased costs to the City, but will be paid by CPS Energy.

#### Previous Council Action

A previously executed contract with Harper Brothers Construction, LLC for the Callaghan Road Project, for \$15,385,582.53 was approved by City Council on October 29, 2015, through Ordinance 2015-10-29-0915. This change order will increase the contract by \$140,314.76 to a total contract amount of \$15,525,897.29.

#### **ISSUE:**

This ordinance authorizes a CPS Energy driven change order in the increased amount of \$140,314.76 payable to Harper Brothers Construction and funding available from CPS Energy for the Callaghan Road project, a 2012-2017 General Obligation and federally-funded project, located in Council District 7.

CPS Energy proposed an above ground gas regulator station at Callaghan Road and Evers Road intersection in order to eliminate two existing below-ground stations in vaults. The station has above ground piping with regulators and valves and will be enclosed within a chain-link fence. The regulator station receives a feed of high pressure gas from a supply pressure main and reduces it to a lower pressure for the distribution main, and a lower pressure supply main. The stations are required to maintain pressures throughout the system. CPS Energy will install the regulator station but it would require the upsizing of a proposed 12 inch steel gas main to a 16" steel gas main and reconfiguring the installation of the gas main tie-in location at the regulator station to be completed by Harper Brothers Construction. The increase in pipe diameter and the proposed regulator station are required due to the increase demand and pressure issues in the vicinity of the project. CPS Energy has submitted signed and sealed plan sheets and approved the revised quantities and unit price and has accepted to fully fund the net difference in price. The City coordinated with CPS Energy during design as this was a joint bid design project, but CPS Energy approached the City on the proposed upgrades during the construction of the Callaghan project. This change order will not result in a change to City cost, but will be paid by CPS Energy.

This plan revision has been discussed with TxDOT and has been approved.

#### **ALTERNATIVES:**

As an alternative, City Council could choose not to approve this change order and require staff to complete a bid process for the work. However, this would lead to a delay in Project completion and a likely increase in price. The most cost effective option is to approve this change order.

#### **FISCAL IMPACT:**

This ordinance authorizes an increase of \$140,314.76 to the Harper Brothers Construction contract for a CPS Energy change order for work on the Callaghan Road Project. The full amount of \$140,314.76 will be reimbursed back to the City by CPS Energy. This is a 2012-2017 General Obligation Bond Project which is included in the 2018-2023 Capital Improvements Program Budget.

**RECOMMENDATION:**

Staff recommends approving this change order, in the amount of \$140,314.76, for the Callaghan Road Project.