



# City of San Antonio

## Agenda Memorandum

**File Number:**19-1186

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**Agenda Item Number:** 15.

**Agenda Date:** 1/31/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Aviation

**DEPARTMENT HEAD:** Russell J. Handy

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Change Order to the Runway 13R Rehabilitation and Terminal Area Taxiways Improvements - Package 4 Contract with J3 Company LLC at San Antonio International Airport

**SUMMARY:**

This ordinance authorizes a change order requested by J3 Company LLC in the amount of \$169,682.32 for the Runway 13R Rehabilitation and Terminal Area Taxiways Improvements - Package 4 project, which will be hereby referred to as Package 4. The change order resolves outstanding claims submitted by the contractor for modification of work and compensable days for project delays. The funding for the change order is from both a FY 2019 - FY 2024 Capital Improvement Program funded project and from previously appropriated funding.

**BACKGROUND INFORMATION:**

On October 13, 2016, City Council authorized a construction contract with J3 Company LLC for Package 4 on through Ordinance No. 2016-10-13-0786 in the amount of \$9,216,350.00 for the rehabilitation of the primary Runway 13R/30L as part of the Federal Aviation Administration's Airport Improvement Program. The scope of the project included rehabilitation of Runway 13R/13L's electrical systems including runway edge, runway centerline, and runway touchdown zone lighting systems, and the airfield electrical vault. The scope also included reconstruction of Taxiway J between Taxiway G and Runway 13R/30L; reconstruction of Taxiway G near Taxiway A; and Taxiway G at its intersection with Taxiway D. Lastly, grading, drainage, utilities, lighting, shoulders, signage, and markings were also included in the project. The project was completed in July of 2018.

Previous change orders, both deductive and additive, had a net effect of increasing the contract value in the

amount of \$115,337.55 to \$9,331,687.55

## **ISSUE:**

In late 2018, J3 and the city identified a number of outstanding unresolved items that needed to be addressed in order for the contract and project to be closed out. J3 initially requested change orders in the amount of \$483,165.47. Following a careful review of the requested change orders and extensive negotiations, the parties agreed to a reduced change order amount of \$169,682.32 which addresses all outstanding issues and allows for the closeout of the project. This change order will increase the contract value total to \$9,501,369.87. This change order includes work performed to the modification of 56 centerline light cans; settlement for claims related to photometric testing; and payment for a total of 23 compensable days for projects delays. Funds are available within the project. City Council authorization is required for change orders over \$100,000.00.

## **ALTERNATIVES:**

If this change order is not approved by the City Council, then the contract and project cannot be closed out. It is in the best interest of the City to authorize the change order that has been agreed upon by both parties.

## **FISCAL IMPACT:**

This action will authorize a change order in the amount of \$169,682.32 to increase the contract amount to \$9,501,369.87, payable to J3 Company LLC. Funding in the amount of \$54,682.32 is from the Airport Improvement Program Grant as outlined in the FY 2019 - FY 2024 Capital Improvement Program as well as funding in the amount of \$115,000.00 from previously authorized Airport Improvement Program Grant funds.

## **RECOMMENDATION:**

Staff recommends the approval of the change order to the construction contract with J3 for the Runway 13R Rehabilitation and Terminal Area Taxiways Improvements - Package 4 project at the San Antonio International Airport.