



# City of San Antonio

## Agenda Memorandum

**File Number:**19-8417

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**Agenda Item Number:** 4B.

**Agenda Date:** 11/14/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Transportation & Capital Improvements

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

**COUNCIL DISTRICTS IMPACTED:** Council District 1

**SUBJECT:**

Funding Agreement for the Avenue B and N Alamo Bike Lane Project and Contract Amendment for the Broadway Lower Segment - East Houston Street to IH-35 Project

**DEPARTMENT:** Transportation & Capital Improvements

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

**COUNCIL DISTRICTS IMPACTED:** Council District 1

**SUBJECT:**

Funding Agreement for the Avenue B and N. Alamo Bike Lane Project and Contract Amendment for the Broadway Lower Segment - East Houston Street to IH-35 Project

**SUMMARY:**

Consideration of the following items related to the Avenue B and N. Alamo Bike Lane and Broadway Lower Segment - East Houston Street to IH-35 projects:

- A. An ordinance authorizing the execution of a Funding Agreement with the Midtown Board of Directors

of Reinvestment Zone #31, granting up to \$6,000,000.00 in reimbursable funds from Midtown Tax Increment Reinvestment Zone (TIRZ) #31 fund for the construction of the Avenue B and N Alamo Bike Lane Project located in Council District 1; and, authorizing the appropriation of these funds and amending of the FY 2020-2025 Capital Improvements Program with funds in the amount not to exceed \$6,000,000.00 from Midtown Tax Increment Reinvestment Zone (TIRZ) #31 Fund for the Avenue B and N. Alamo Bike Lane Project.

- B. An ordinance authorizing the execution of an amendment in the amount up to \$6,000,000.00 to the 2017 Bond Broadway Corridor Lower Segment design-build contract with Sundt Construction, Inc. for the design and construction of Avenue B and N. Alamo bike lanes as part of the Broadway Lower Segment project.

## **BACKGROUND INFORMATION:**

### Project Background

On May 17, 2019, Transportation & Capital Improvements Department (TCI) staff, made a presentation to the Midtown TIRZ Board of Directors regarding the status of Broadway Corridor 2017 Bond project including the proposed construction of dedicated bike infrastructure on Avenue B and N. Alamo Street to provide a connected bike route from the upper to lower segment of the Broadway Corridor project. The Midtown TIRZ Board recommended the award of \$6,000,00.00 to TCI to support the construction of Avenue B Bike Lane Project and advised staff to draft an agreement.

On September 13, 2019, the Midtown TIRZ Board of Directors approved a Resolution (attached) authorizing the execution of the Funding Agreement.

A current 2017 Bond project, Broadway Lower Segment, is adjacent to the Avenue B and N. Alamo Bike Lane project. The Broadway Lower Segment project is a design-build project currently at 40% design. City staff recommends inclusion of the Avenue B and N. Alamo Bike Lane Project into the Broadway Lower Segment design-build contract in order to facilitate coordination of the designs, provide for complementary construction phasing and seamless integration of features where the projects cross along McCullough Avenue, and leverage economy of scale by delivering the smaller Avenue B and N. Alamo Bike Project with the larger Broadway Lower Segment Project.

### Previous Council Action

A previously executed contract with Sundt Construction, Inc. for the Broadway Corridor Lower Segment 2017 Bond Project in the amount of \$32,700,000.00 was approved by City Council on May 17, 2018 through Ordinance 2018-05-17-0347. This amendment will increase the contract by \$6,000,000.00 to a contract amount of \$38,700,000.00.

The following table illustrates the amendments, which have occurred:

<b>Item</b>	<b>Amount</b>
Original Contract Value	\$32,700,000.00
Previously Authorized Amendments	\$0.00
Proposed Amendment	\$6,000,000.00
Revised Contract Value	<b>\$38,700,000.00</b>

The contract amendment in the amount up to \$6,000,000.00 increases the capacity of Sundt Construction's

contract with the City of San Antonio. Upon approval of the contract amendment, City staff will negotiate and execute subsequent work packages for design, pre-construction services, and construction of the Avenue B and N Alamo Bike Lane Project within the contract capacity.

## ISSUE:

Consideration of the following items related to the Avenue B and N. Alamo Bike Lane and Broadway Lower Segment - East Houston Street to IH-35 projects:

- A. This ordinance authorizes the execution of a Funding Agreement with the Midtown Board of Directors of Reinvestment Zone #31, granting up to \$6,000,000.00 in reimbursable funds from Midtown Tax Increment Reinvestment Zone (TIRZ) #31 fund for the construction of Avenue B Bike Lane Project, located in Council District 1.

Chapter 311 of the Property Tax Code authorizes the municipality that designated a TIRZ to enter into agreements and construct public improvements necessary to implement the TIRZ project plan. Of the public improvements identified in the Midtown Project Plan, the redevelopment of Broadway as the “face” of Midtown is of high priority. The proposed Avenue B Bike Lane Project will provide dedicated bike infrastructure on Avenue B and N. Alamo Street to provide a connected bike route from the upper to lower segment of Broadway.

The Avenue B and N. Alamo Bike lane project will construct protected, buffered bike lanes along N. Alamo from Houston to McCullough, along McCullough from N. Alamo to Avenue B, along Avenue B from McCullough to Roy Smith, and along Roy Smith from Avenue B to Broadway. The project also includes landscaping, tree planting, pavement mill and overlay, new pavement markings, new signs, sidewalk construction at intersections to create bulbouts and install pedestrian ramps, and minor reconstruction of Avenue B north of Jones to reconfigure the roadway for bike lanes.

Once completed, the project will provide a safer public right-of-way accessibility in close proximity to the Broadway Street project. This project is anticipated to begin design in January of 2020. Construction is anticipated to start January of 2021 and end by the Fall of 2021.

- B. This ordinance authorizes the execution of an amendment in the amount up to \$6,000,000.00 to the 2017 Bond Broadway Corridor Lower Segment design-build contract with Sundt Construction, Inc. for the design and construction of Avenue B and N. Alamo bike lanes as part of the Broadway Lower Segment project.

The Avenue B and N. Alamo Bike Lane project complements the Broadway Lower Segment Project by providing for bike lanes to connect the upper portions of Broadway to downtown. The ongoing Broadway Lower Segment Project is at 40% design. City staff recommends inclusion of the Avenue B and N. Alamo Bike Lane Project into the Broadway Lower Segment design-build contract in order to facilitate coordination of the designs, provide for complementary construction phasing and seamless integration of features where the projects cross along McCullough Ave, and leverage economy of scale by delivering the smaller Avenue B and N. Alamo Bike Project with the larger Broadway Lower Segment Project.

The contract amendment in the amount up to \$6,000,000.00 increases the capacity of Sundt Construction’s contract with the City of San Antonio. Upon approval of the contract amendment, City staff will negotiate and execute subsequent work packages for design, pre-construction services, and

construction of the Avenue B and N Alamo Bike Lane Project within the contract capacity.

#### **ALTERNATIVES:**

- A. As an alternative, City Council could choose not to approve this funding agreement; however, this action would negatively affect the design and construction of Avenue B and N. Alamo bike lanes requiring staff to seek an alternate funding source.
- B. As an alternative, City Council could choose not to approve the contract amendment to the 2017 Bond Broadway Corridor Lower Segment design-build contract with Sundt Construction, Inc. for the inclusion of Avenue B and N. Alamo bike lanes into the Broadway Lower Segment project. However, the City would miss out on opportunities to leverage the design, coordination, and construction of the two projects under one team resulting in higher costs and opportunities for conflicts between two different designers and two different contractors.

#### **FISCAL IMPACT:**

- A. This ordinance authorizes execution of a Funding Agreement with the Midtown Board of Directors of Reinvestment Zone #31 to provide funding in the amount up to \$6,000,000.00 in reimbursable Midtown Tax Increment Reinvestment Zone (TIRZ) #31 funds for the Avenue B and N. Alamo bike lanes project. This ordinance also authorizes the appropriation of these funds and amending of the FY 2020-2025 Capital Improvements Program with funds in the amount not to exceed \$6,000,000.00 from Midtown Tax Increment Reinvestment Zone (TIRZ) #31 Fund for the Avenue B and N. Alamo Bike Lane Project. There is no fiscal impact to the General Fund.
- B. This is a one-time capital improvement expenditure in the amount up to \$6,000,000.00 authorized payable to Sundt Construction, Inc. Upon approval of the contract amendment, City staff will negotiate and execute subsequent work packages for design, pre-construction services, and construction of the Avenue B and N Alamo Bike Lane Project within the contract capacity.

#### **RECOMMENDATION:**

- A. Staff recommends approval of this ordinance authorizing the execution of a Funding Agreement with Midtown TIRZ for the design and construction of Avenue B Bike Lane Project, located in Council District 1, in the amount up to \$6,000,000.00 in reimbursable Midtown Tax Increment Reinvestment Zone (TIRZ) #31 funds.
- B. Staff recommends approval of this ordinance authorizing the execution of an amendment in the amount up to \$6,000,000.00 to the 2017 Bond Broadway Corridor Lower Segment design-build contract with Sundt Construction, Inc. for the design and construction of Avenue B and N. Alamo bike lanes as part of the Broadway Lower Segment project.