



# City of San Antonio

## Agenda Memorandum

**File Number:**21-3648

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**Agenda Item Number:** 20.

**Agenda Date:** 6/17/2021

**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 Award: La Villita - Maverick Plaza Improvements

### **SUMMARY:**

An ordinance accepting the lowest responsive bid and awarding a construction contract including a deductive alternate to Davila Construction, Inc. in the amount of \$3,462,235.26 for public improvements related to the La Villita - Maverick Plaza Improvements project located in Council District 1; and authorizing the appropriation and amending of the FY 2021 - FY 2026 Capital Improvement Program with funds in the reimbursable amount of \$800,000.00 from the Inner City Tax Increment Reinvestment Zone (TIRZ) Fund for the project. Funds in the remaining amount of \$2,662,235.26 are available from 2018 Certificates of Obligation and included in the FY 2021 - FY 2026 Capital Improvement Program.

### **BACKGROUND INFORMATION:**

#### Project Background

In December 2016, the City and Grupo La Gloria entered a Memorandum of Understanding to share costs associated with developing of a Culinary Concept and Operator plan for the La Villita - Maverick Plaza project. The plan was completed in July 2017. As part of the plan, it was determined to develop three adequately sized restaurants within the plaza to enhance the space further. This new culinary business concept located within the plaza will serve as an anchor to draw in locals and visitors by creating a vibrant and active site for public enjoyment.

This project will provide public improvements in and around La Villita - Maverick Plaza to facilitate the construction of three new restaurant concepts. This contract will provide for all labor, materials, equipment and incidentals necessary to renovate the plaza including utilities, landscaping, an outside demonstration kitchen, public restrooms, paving improvements, specialty fencing and lighting enhancements. Construction is anticipated to begin in July 2021 and is estimated to be complete by July 2022.

#### Previous Council Action

On December 14, 2017, City Council authorized a lease agreement with Grupo La Gloria to construct three restaurant concepts connected with the redevelopment of Maverick Plaza in La Villita through Ordinance 2017-12-14-1004. This agreement approved \$4,400,000.00 for the design and construction of public improvements necessary to facilitate the development of the three restaurants. The TIRZ Fund will reimburse the City for debt service payments over a 20-year period.

Through the public input process during design, it was determined there was support to include public restrooms as part of the redevelopment which was not part of the original project scope. With this, in October 2019, Public Works applied for funding from the City's Tax Increment Financing Program (TIF) to construct the requested public restrooms in Maverick Plaza and for unforeseen expenses related to extensive archaeological work at the site. On November 13, 2019, the Board of Directors of Tax Increment Reinvestment Zone #11 (Inner City TIRZ) adopted a resolution authorizing the execution of a Funding Agreement in the amount of \$800,000.00 to construct the public restrooms. On January 30, 2020, through Ordinance 2020-01-30-0068, City Council approved this funding agreement with the Inner City TIRZ Board of Directors.

#### Procurement of Services

This project was advertised on April 14, 2021, for construction bids in the San Antonio Hart Beat, on the City's website, on the Texas Electronic State Business Daily, on TVSA and through the electronic bidding site CivCast. Bids were opened on May 14, 2021 and eight bids were received. Of these, Davila Construction, Inc. submitted the lowest responsive bid including a deductive alternate for the removal of a water fountain. A matrix of the bid outcome is included herein.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts to be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract to maximize the amount of small, minority and women-owned business participation on the contract. The Goal Setting Committee set a 40% Minority/Women Business Enterprise (M/WBE) subcontracting goal and a 6% African American Business Enterprise (AABE) subcontracting goal. Davila Construction, Inc. has committed to meeting the subcontractor participation goal.

This construction contract was developed utilizing the low bid process. Therefore, a Contracts Disclosure Form is not required.

#### **ISSUE:**

This ordinance accepts the lowest responsive bid and awards a construction contract including a deductive alternate to Davila Construction, Inc. in the amount of \$3,462,235.26 for public improvements related to the La Villita - Maverick Plaza Improvements project located in Council District 1.

This project will provide public improvements in and around La Villita - Maverick Plaza to facilitate the construction of three new restaurant concepts. This contract will provide for all labor, materials, equipment and incidentals necessary to renovate the plaza including utilities, landscaping, an outside demonstration kitchen, public restrooms, paving improvements, specialty fencing and lighting enhancements. Construction is

anticipated to begin in July 2021 and is estimated to be complete by July 2022.

**ALTERNATIVES:**

As an alternative, City Council could choose not to award this contract and require staff to re-advertise the project; however, the additional time required for another solicitation process would adversely affect the timely completion of the project.

**FISCAL IMPACT:**

This ordinance authorizes a one-time capital improvement expenditure in the amount of \$3,462,235.26 payable to Davila Construction, Inc. This ordinance also authorizes the appropriation and amending of the FY 2021 - FY 2026 Capital Improvement Program with funds in the reimbursable amount of \$800,000.00 from the Inner-City Tax Increment Reinvestment Zone (TIRZ) Fund for the La Villita - Maverick Plaza Improvements project. Funds in the remaining amount of \$2,662,235.26 are available from 2018 Certificates of Obligation and included in the FY 2021 - FY 2026 Capital Improvement Program.

**RECOMMENDATION:**

Staff recommends approval of this ordinance accepting the lowest responsive bid and awarding a construction contract including a deductive alternate to Davila Construction, Inc. in the amount of \$3,462,235.26 for public improvements related to the La Villita - Maverick Plaza Improvements project located in Council District 1.