



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 12

Agenda Date: January 11, 2024

In Control: City Council A Session

DEPARTMENT: Public Works Department

DEPARTMENT HEAD: Razi Hosseini

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Contract Amendment: South Alamo Street (Market Street to East Cesar E. Chavez Boulevard)

SUMMARY:

An ordinance approving a utility contract amendment in the increased amount not to exceed \$462,045.89 to the current construction contract in the amount of \$38,342,459.98 with Sundt Construction, Inc., of which \$462,045.89 will be reimbursed by San Antonio Water System (SAWS) for chilled water supply construction phase services as part of the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard), a 2017 General Obligation Bond, Certificates of Obligation and Hemisfair Tax Increment Reinvestment Zone funded project, located in Council District 1; and authorizing the acceptance of funds in the amount of \$462,045.89 from SAWS to the South Alamo Street (Market Street to East Cesar E. Chavez) project included in the FY 2024 – FY 2029 Capital Improvement Program for utility construction services related to this amendment.

BACKGROUND INFORMATION:

Project Background

On May 6, 2017, voters approved the 2017 Bond Program, which authorized \$9,000,000.00 for the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project in Council District

1. The project is located downtown San Antonio, between Market Street and Cesar E. Chavez Boulevard. Street improvements will include roadway reconstruction, drainage, traffic signals, pedestrian lighting, and landscaping. The project will also include utility upgrades to SAWS water, sewer, and chilled water mains include CPS gas and roadway lighting and main extensions and services for adjacent Public-Private Partnership at Hemisfair project, including water, fireline, wastewater, natural gas, electric, and telecommunications. Construction began in December 2022 and is estimated to be completed in Spring 2025.

Previous Council Actions & Contract Amendments

On November 3, 2022, City Council approved the construction contract with Sundt Construction, Inc. in the amount of \$36,628,793.61, of which \$14,795,445.61 was funded from previously authorized 2017 General Obligation Bond funds; \$750,000.00 from Tree Mitigation Fund; \$14,369,555.00 reimbursed by San Antonio Water System; \$1,488,793.00 reimbursed by CPS Energy; and \$5,225,000.00 from Hemisfair Tax Increment Reinvestment Zone (TIRZ) for the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project through Ordinance 2022-11-03-0839.

On February 9, 2023, an amendment was approved by the City Council in the increased amount of \$1,500,566.00, reimbursed by AT&T. Additional contract amendments for various construction amendments have also been approved in the amount of \$213,110.37 for a total of \$1,713,666.37 in previous authorized amendments. This proposed amendment will increase the contract capacity by \$462,045.89 to a revised contract amount of \$38,804,505.87.

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

Item	Amount
Original Contract Value	\$36,628,793.61
Previous Contract Amendments	\$1,713,666.37
Proposed Contract Amendment	\$462,045.89
Revised Contract Value	\$38,804,505.87

This contract amendment will compensate the contractor for work and costs associated with SAWS chilled water supply design and construction phase services as part of South Alamo Street (Market Street to East Cesar E. Chavez Boulevard).

ISSUE:

This ordinance amends the construction contract with Sundt Construction Inc. in the increased amount not to exceed \$462,045.89, of which \$462,045.89 will be reimbursed by San Antonio Water System (SAWS) for chilled water supply construction phase services as part of the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard), a 2017 General Obligation Bond, Certificates of Obligation and Hemisfair Tax Increment Reinvestment Zone funded project, located in Council District 1; and authorizes the acceptance of funds in the amount of \$462,045.89 from SAWS to the South Alamo Street (Market Street to East Cesar E. Chavez) project included in the FY 2024 – FY 2029 Capital Improvement Program for utility construction services related

to this amendment.

The original scope of work for SAWS chilled water infrastructure included installing new lines from Arciniega Street to Market Street along the S. Alamo Street corridor. During construction, it was discovered that a portion of the existing chilled water line conflicted with the proposed lines. For this reason, a portion of the chilled water proposed work was removed from the scope. Additionally, other conflict points were found within the proposed chilled water line (to remain in the scope) that required alignment revisions, additional fittings, and the inclusion of special shoring. New details and restrictions were also deemed necessary to keep services to the existing chilled water customers, including the adjacent hotels, either live and/or minimize shutdown time of chilled water services for affected stakeholders throughout the project. This contract amendment is necessary to add and revise the scope, including the work and quantities costs associated with these design revisions and service/cleaning requirements.

ALTERNATIVES:

Alternatively, the City Council could choose not to approve this amendment and require staff to readvertise; however, this would adversely affect the project budget and schedule.

FISCAL IMPACT:

This is a one-time capital improvement expenditure in the amount of \$462,045.89, payable to Sundt Construction, Inc., for construction services related to the SAWS chilled water supply design and construction phase services associated with this project. This ordinance also authorizes the acceptance of funds in the amount not to exceed \$462,045.89 from SAWS to the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project included in FY 2024 – FY 2029 Capital Improvements Program for construction services related to the SAWS chilled water supply design and construction phase services associated with this project.

RECOMMENDATION:

Staff recommends approval of executing a utility contract amendment in the increased amount not to exceed \$462,045.89 and accepting reimbursement from SAWS for construction services related to this amendment.