



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 26

Agenda Date: September 29, 2022

In Control: City Council A Session

DEPARTMENT: Public Works Department

DEPARTMENT HEAD: Razi Hosseini

COUNCIL DISTRICTS IMPACTED: District 4

SUBJECT:

Contract Amendment: Port San Antonio (2017 Bond Project)

SUMMARY:

An ordinance approving a utility contract amendment in the increased amount of \$121,541.78 to the \$23,637,346.14 construction contract with J3 Company, LLC, of which \$121,541.78 will be reimbursed by the Port Authority of San Antonio, for construction services related to the sanitary sewer system for the Port San Antonio project, a 2017-2022 General Obligation Bond funded project located in Council District 4 and included in the FY 2023 - FY 2028 Capital Improvement Program; and authorizing the acceptance of funds in the amount of \$121,541.78 from the Port Authority of San Antonio for construction services related to this amendment.

BACKGROUND INFORMATION:

Project Background

On May 6, 2017, San Antonio voters approved the City of San Antonio's 2017-2022 Bond Program, of which \$24,000,000.00 was approved for drainage improvements associated with the Port San Antonio project. These funds are being used toward the construction of the project, construction oversight, and the reimbursement of construction phase design services and utility adjustments.

In partnership with the City, the Port Authority of San Antonio agreed to manage and fund the design phase of the project, including the necessary environmental services and manage the preconstruction utility adjustments. In return, the City agreed to contribute \$24,000,000.00 toward the construction and provide construction management services for the Port San Antonio project and to fund the preconstruction utility adjustments. After construction is complete, the improvements will be maintained by the Port Authority of San Antonio.

As part of the Interlocal Agreement between the Port Authority and the City, the City was not required to contribute any funds in excess of the \$24,000,000.00. The Port Authority of San Antonio was responsible for all costs in excess of the City's contribution. To maintain the overall budget, project adjustments were coordinated and evaluated by the City and the Port Authority of San Antonio.

This project was a continuation of the City of San Antonio's commitment to providing an adequate storm water system to reduce on-going flooding risks within the City. The project expanded the 36th Street Phase IIIB (Billy Mitchell to General Hudnell) drainage infrastructure built as part of the 2012 General Obligation Bond. Project construction began in February 2019 and was substantially completed in April 2022.

Previous Council Action & Contract Amendments

On January 17, 2019, City Council approved the construction contract with J3 Company LLC in the amount of \$20,763,251.51 of which \$3,275,964.00 was reimbursed by the Port Authority of San Antonio for the construction of the Port San Antonio project through Ordinance 2019-01-17-0025. Contract amendments to modify and enhance the project have increased this contract by \$2,874,094.63. This proposed contract amendment will increase the contract capacity by \$121,541.78 to a revised contract value of \$23,758,887.92.

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

Item	Amount
Original Contract Value	\$20,763,251.51
Previous Contract Amendments	\$2,874,094.63
Proposed Contract Amendment	\$121,541.78
Revised Contract Value	\$23,758,887.92

The proposed contract amendment will compensate the contractor for the time and work associated with the redesign of the drainage channel and the efforts expended to address the sanitary sewer system during the construction of the project.

ISSUE:

This ordinance approves a utility contract amendment in the increased amount of \$121,541.78 and authorizes payment to J3 Company, LLC for the Port San Antonio project, a 2017 Bond funded

drainage project; of which \$121,541.78 will be reimbursed by the Port Authority of San Antonio for construction services related to the project's sanitary sewer system.

This contract amendment will increase the quantities associated with the sanitary sewer replacement infrastructure to the actual quantities the contractor incurred and that was verified by the San Antonio Water System (SAWS) inspector during the construction of the project. Confirmation of the final quantities and payment to the Contractor was determined in coordination with the Port Authority of San Antonio and SAWS.

ALTERNATIVES:

As an alternative, City Council could not approve the contract amendment; however, this contract amendment is to address work already completed and will be reimbursed by the Port Authority of San Antonio. Not approving this amendment may result in a claim against the City.

FISCAL IMPACT:

This is a one-time capital improvement expenditure in the amount of \$121,541.78 payable to J3 Company, LLC for construction services related to the sanitary sewer utility contract amendment. This ordinance also authorizes the acceptance of funds in the amount not to exceed \$121,541.78 from the Port Authority of San Antonio for construction services related to the sanitary sewer utility contract amendment and amends the FY 2023 – FY 2028 Capital Improvement Program.

RECOMMENDATION:

Staff recommends approval of executing a utility contract amendment in the increased amount not to exceed \$121,541.78 and accepting reimbursement from the Port Authority of San Antonio for construction services related to this amendment.