



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 12

Agenda Date: November 3, 2022

In Control: City Council A Session

DEPARTMENT: Public Works Department

DEPARTMENT HEAD: Razi Hosseini

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Contract Award: South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) (2017 Bond Project)

SUMMARY:

An ordinance awarding a construction contract to Sundt Construction, Inc. in the amount not to exceed \$36,628,793.61, for the South Alamo Street project. Of this amount, \$14,795,445.61 is available from previous authorized 2017 General Obligation Bond funds and \$750,000.00 from Tree Mitigation Funds included in the FY 2023 – FY 2028 Capital Improvement Program and \$14,369,555.00 will be reimbursed by San Antonio Water System, \$1,488,793.00 will be reimbursed by CPS Energy, and \$5,225,000.00 will be funded by the Hemisfair Tax Increment Reinvestment Zone for the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project located in Council District 1; and, authorizing the reallocation of funds in the amount of \$8,000,000.00 in Hemisfair Tax Increment Reinvestment Zone funds to South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project of which \$5,225,000.00 will be used for this construction contract and the remaining amount will be used towards other associated costs.

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 in 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; CPS gas and roadway lighting; as well as main extensions and services for adjacent Public-Private Partnership at Hemisfair project to include water, fire-line, wastewater, natural gas, electric and telecommunications. Construction is anticipated to begin in December 2022 and is estimated to be completed in December 2024.

Procurement of Services

A Request for Competitive Sealed Proposals (RFCSP) for this project was issued on February 24, 2022, 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. A pre-submittal conference was held on March 16, 2022, and responses were due on June 7, 2022. Two (2) firms submitted proposals. A selection committee consisting of representatives from the City Manager's Office, the Public Works Department, Centro San Antonio, Hemisfair Park Area Redevelopment Corporation, and the San Antonio Water System evaluated and ranked the submissions. Scoring was based on the published evaluation criteria, which included Experience, Background, Qualifications of Respondent, Key Personnel, and Key Sub-Contractors; Understanding of the Project and Proposed Management Plan; Experience with the San Antonio Region & Past Performance; Price Proposal and participation in the SBE and M/WBE Prime Contractor Programs.

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 applied the Small Business Enterprise Prime Contract Program with 10 Evaluation preference points and Minority/Women-Owned Business Enterprise Prime Contract Program with 10 Evaluation preference points. Additionally, the Goal Setting Committee set 25% Minority/Women Business Enterprise (M/WBE) and 3% African American Business Enterprise (AABE) subcontracting goals. Sundt Construction, Inc. has committed to meeting the subcontractor participation goals.

This contract was developed utilizing a formal RFCSP process; therefore, as required by the Ethics Ordinance for all projects where subjective criteria are used to select the contractor or consultant rather than by low bid, a Discretionary Contracts Disclosure Form is attached.

A post-solicitation briefing was held with Audit & Accountability Committee on September 21, 2022.

Other Contribution

This council action reallocates \$8,000,000.00 in Hemisfair TIRZ funding that was previously approved by City Council through Ordinance 2022-06-16-0456 to South Alamo Street (Market

Street to East Cesar E. Chavez Boulevard) project. As part of this Funding Agreement with the Hemisfair TIRZ Board of Directors, funding would be provided in the amount not to exceed \$8,000,000.00 and costs associated with debt service for construction of utilities and potential environmental remediation for the northwest quadrant of Hemisfair Park on the corner of South Alamo and Market Streets and an Infrastructure and Development Support Agreement with each of the Developers in connection with the previously approved Public-Private Partnership at Hemisfair Park. Funding for this agreement is available through the tax increment produced by the Hemisfair TIRZ. Of the \$8,000,000.00, \$5,225,000.00 will be used for construction contract for South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project and the remaining amount will be used for other associated project costs related to the construction of utilities and environmental.

ISSUE:

This ordinance awards a construction contract to Sundt Construction, Inc. in the amount not to exceed \$36,628,793.61, for the South Alamo Street project. Of this amount, \$14,795,445.61 is available from previous authorized 2017 General Obligation Bond funds and \$750,000.00 from Tree Mitigation Funds included in the FY 2023 – FY 2028 Capital Improvement Program and \$14,369,555.00 will be reimbursed by San Antonio Water System, \$1,488,793.00 will be reimbursed by CPS Energy, and \$5,225,000.00 will be funded by the Hemisfair Tax Increment Reinvestment Zone for the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project located in Council District 1; and, authorizes the reallocation of funds in the amount of \$8,000,000.00 in Hemisfair Tax Increment Reinvestment Zone funds to South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project of which \$5,225,000.00 will be used for this construction contract and the remaining amount will be used towards other associated costs.

Project Construction

The South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project will consist of street improvements, including roadway reconstruction, drainage, traffic signals, pedestrian lighting, and landscaping. This project will also include utility upgrades to SAWS water, sewer, and chilled water mains; CPS gas and roadway lighting; as well as main extensions and services for adjacent Public-Private Partnership at Hemisfair to include water, fire-line, wastewater, natural gas, electric, and telecommunications. Construction is anticipated to begin in December 2022 and is estimated to be completed in December 2024.

Other Contributions

This council action reallocates \$8,000,000.00 in Hemisfair TIRZ funding that was previously approved by City Council through Ordinance 2022-06-16-0456 to South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project for construction of utilities and potential environmental remediation for the northwest quadrant of Hemisfair Park on the corner of South Alamo and Market Streets. Of this amount, \$5,225,000.00 will be used for construction contract for South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project and the remaining amount will be used for other associated project costs related to the construction of

utilities and potential environmental remediation.

ALTERNATIVES:

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

FISCAL IMPACT:

This is a one-time capital improvement expenditure in the amount of \$36,628,793.61 payable to Sundt Construction, Inc. Of this amount, \$14,795,445.61 is available from previous authorized 2017 General Obligation Bond funds and \$750,000.00 from Tree Mitigation Funds included in the FY 2023 – FY 2028 Capital Improvement Program and \$14,369,555.00 will be reimbursed by San Antonio Water System (SAWS), \$1,488,793.00 will be reimbursed by CPS Energy, and \$5,225,000.00 will be funded by the Hemisfair Tax Increment Reinvestment Zone for the construction of South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project.

This ordinance also authorizes the reallocation of funds in the amount of \$8,000,000.00 in Hemisfair Tax Increment Reinvestment Zone funds to South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project of which \$5,225,000.00 will be used for this construction contract and the remaining amount will be used towards other associated costs.

RECOMMENDATION:

Staff recommends approval of this ordinance awarding a construction contract to Sundt Construction, Inc. in the amount not to exceed \$36,628,793.61, of which \$14,795,445.61 is available from previous authorized 2017 General Obligation Bond funds and \$750,000.00 from Tree Mitigation Funds included in the FY 2023 – FY 2028 Capital Improvement Program and \$14,369,555.00 will be reimbursed by San Antonio Water System, \$1,488,793.00 will be reimbursed by CPS Energy, and \$5,225,000.00 will be reimbursed by the Hemisfair Tax Increment Reinvestment Zone for the South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project; and, authorizes the reallocation of funds in the amount of \$8,000,000.00 in Hemisfair Tax Increment Reinvestment Zone funds to South Alamo Street (Market Street to East Cesar E. Chavez Boulevard) project.