

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
PUBLIC WORKS DEPARTMENT**

CONSENT AGENDA
ITEM NO. 22

TO: Mayor and City Council

FROM: Thomas G. Wendorf, P.E., Director of Public Works

THROUGH: Terry M. Brechtel, City Manager

COPIES: Melissa Byrne Vossmer; Andrew Martin; Louis A. Lendman; Milo D., Nitschke;
File

SUBJECT: Harris Storm Drainage (Alvarez, Glass, Cass, Halstead Streets)

DATE: June 26, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance accepts the low qualified responsive bid and awards a construction contract in the amount of \$1,434,736.03 payable to KGME, Inc., a MBE firm, and authorizes and \$85,108.58 for construction contingency expenses, for an overall total of \$1,519,844.61 in connection with the Harris Storm Drainage (Alvarez, Glass, Cass, Halstead Streets) located in Council District 5. Of the \$1,519,844.61, \$936,194.33 will be funded from 1999 General Obligation Drainage Improvement Bond funds, \$135,611.50 will be funded by City Public Service for gas line replacement, and \$448,038.78 will be funded by San Antonio Water System (SAWS) for sewer and water work.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

The Harris Storm Drainage (Alvarez, Glass, Cass, Halstead Streets) project will reconstruct Alvarez, Glass, and Cass Streets from Halstead to Nogalitos, Halstead from IH 10 to Pruitt, Cass to Glass, provides for 27 to 30-foot wide 2-lane street sections depending on available right of way and underground storm drainage, and includes 4-foot sidewalks, curbs, and driveway approaches. This project is scheduled to begin construction August 2003, and be completed by July 2004.

This project was advertised for construction bids in the Commercial Recorder, the San Antonio Informer, and La Prensa in April 2003. In addition, the bid announcement was made on TVSA, through the SBEDA office and Dodge Report. Plans were also available for review by potential bidders in the Public Works Office.

Bids for this project were opened on May 7, 2003 with six (6) bidders responding. A matrix reflecting the outcome of the bid process is attached.

The Economic Development Department has reviewed and approved the List of Subcontractors and the Good Faith Effort Plan submitted by KGME, Inc. The contractor has committed to subcontract \$1,285,426.00 (89.5%) to MBE firms. The contract provides for 175 working days or approximately nine (9) months, to complete the project. KGME, Inc. currently has one (1) construction contract with the City of San Antonio in the total amount of \$448,717.01. A list of projects is attached.

POLICY ANALYSIS

Approval of this ordinance will be a continuation of City Council policy to complete previously approved 1999 General Obligation Drainage Improvement Bond funded Capital Improvement Projects.

FISCAL IMPACT

This is a one-time capital improvement expenditure within budget and included in the FY 03-08 Capital Improvement Program Budget. Funds in the amount of \$936,194.33 are available from 1999 General Obligation Drainage Improvement Bond, \$135,611.50 will be funded from CPS, and \$448,038.78 will be funded from SAWS for sewer and water work, for an overall total of \$1,519,844.61 to be authorized payable as follows:

\$1,434,736.03	payable to KGME, Inc. for construction expenses
\$ 85,108.58	payable for miscellaneous construction contingency

This item represents a portion of the total estimated City project cost of \$1,215,325.00.

COORDINATION


This request for ordinance has been coordinated with the Office of Management and Budget and the Finance Department.

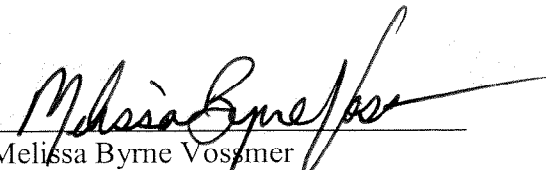
SUPPLEMENTARY COMMENTS

This construction contract was developed utilizing the formal competitive bid process; therefore, a Discretionary Contracts Disclosure Form is not required.

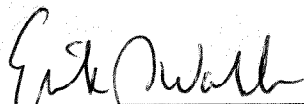
ATTACHMENTS

1. Matrix of Bid Process
2. Current Project List
3. Project Map
4. Proposal
5. Economic Development Department Memorandum, dated June 4, 2003
6. Contract

 P.E. 6/12/03
Thomas G. Wendorf, P.E.
Director of Public Works


Melissa Byrne Vossmer
Assistant City Manager

Approved:

f 
Terry M. Brechtel
City Manager

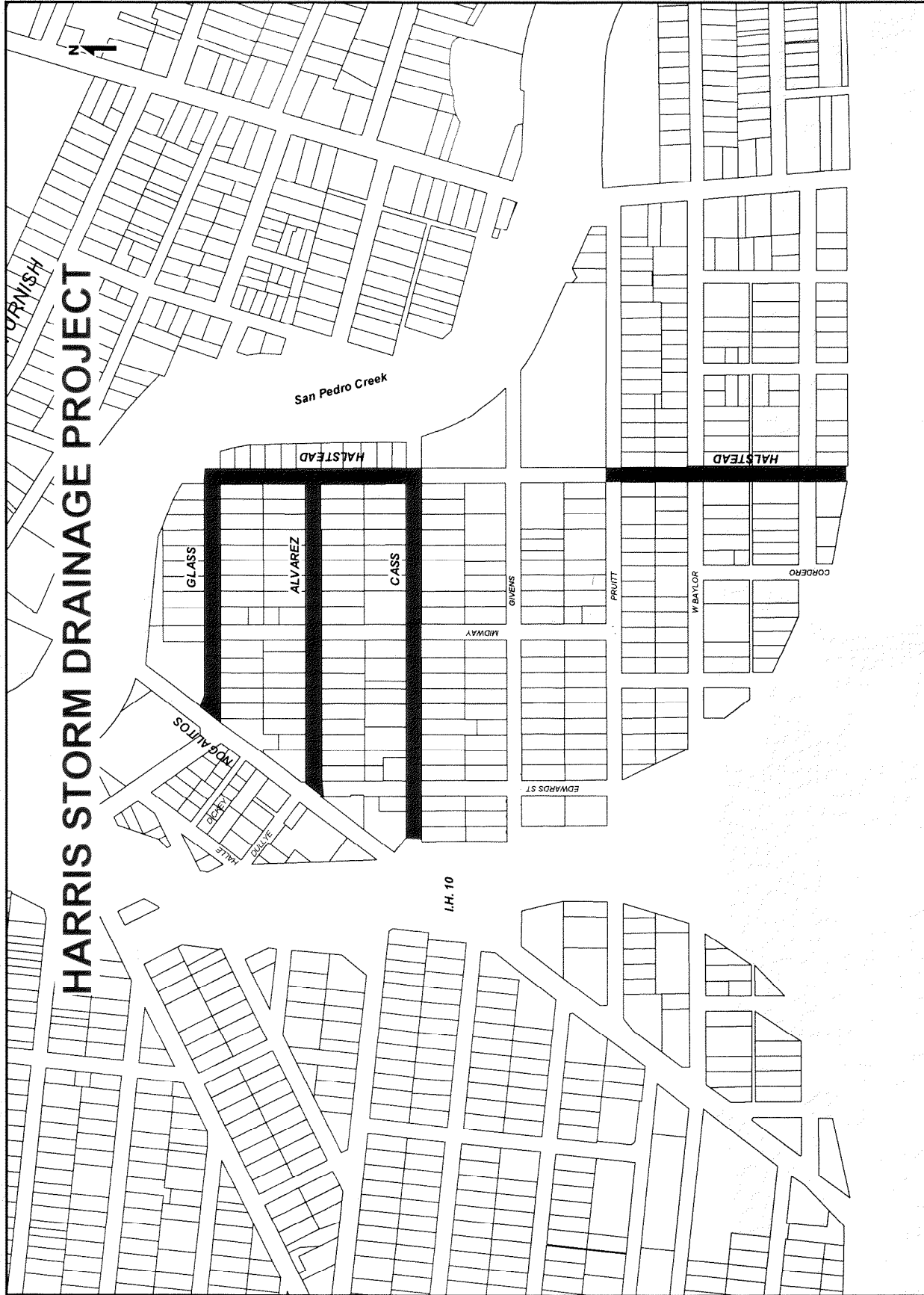
ATTACHMENT I
Matrix of Bid Tabulation
Harris Storm Drainage (Alvarez, Glass, Cass, Halstead)

Contractor	KGME, Inc.	San Antonio Constructors, Ltd.	E-Z Bel Construction, Ltd.	Valemas, Inc.	R.L. Jones Co., L.P.	Texas Sterling Construction
Base Bid	\$ 851,085.75	\$ 877,360.25	\$ 911,828.93	\$ 858,241.39	\$ 951,912.45	\$ 979,417.80
SAWS Water	\$ 158,358.20	\$ 189,142.23	\$ 169,121.17	\$ 186,973.27	\$ 180,944.80	\$ 235,579.70
SAWS Sewer	\$ 289,680.58	\$ 270,515.40	\$ 269,307.50	\$ 304,370.70	\$ 296,631.00	\$ 357,101.50
CPS	\$ 135,611.50	\$ 117,620.00	\$ 120,330.00	\$ 135,611.50	\$ 104,940.00	\$ 135,611.50
Total	\$ 1,434,736.03	\$1,454,637.88	\$1,470,587.60	\$1,485,196.86	\$1,534,428.25	\$1,707,710.50

ATTACHMENT II
Current Project List
KGME, Inc.

Council District	Project Name	Contract Amount
2	Bee Street: Walters to Frank	\$448,717.01
TOTAL		\$448,717.01

HARRIS STORM DRAINAGE PROJECT



PROPOSAL
TO
CITY OF SAN ANTONIO TEXAS
FOR THE CONSTRUCTION OF
Harris Storm Drainage

IN SAN ANTONIO, TEXAS

The undersigned, as bidder, declares that the only person or parties interested in this proposal as principals are those named herein; that this proposal is made without collusion with any other person, firm, corporation; that Bidder has carefully examined the form of contract, instructions to bidders, profiles, grades, specifications, and the plans therein referred to, and has carefully examined the locations, conditions and classes of materials of the proposed work; and agrees that Bidder will provide all the necessary machinery, tools, apparatus, and other means of construction, and will do all the work and furnish all the materials called for in the contract and specifications in the manner prescribed therein and according to the requirements of the Director of Public Works as therein set forth.

It is understood that the following quantities of work to be done are approximate only, and are intended principally to serve as a guide in figuring out the bids.

It is understood and agreed that the work is to be completed in full in 175 working days
calendar
working days.

Accompanying this Proposal is a Bid Guaranty in the amount of _____

_____ Dollars (\$ _____) said amount being

Five (5%) per cent of the total bid. Said Bid Guaranty, in the form of a Certified or Cashier's Check on a State or National Bank, or Bid Bond, is submitted as a guaranty of the good faith of the Bidder and that the Bidder will execute and enter into a written contract to do the work, if his bid is accepted. It is hereby agreed that the Bidder may, at any time prior to opening of the bids withdraw this Proposal without penalty; it is also agreed that if Bidder shall, at any time after opening of bids, withdraw this Proposal or if this Bid is accepted and Bidder shall fail to execute the written contract and furnish satisfactory bond, within twenty (20) days after the date of transmittal of the contract documents by Owner to Contractor, the City of San Antonio shall, in any of such events, be entitled and is hereby given the right to retain said Bid Guaranty as liquidated damages. It is understood that the City of San Antonio reserves the right to reject any and all bids whenever the City Council deems it in the interest of the City to do so, and also the right to waive any informalities in a bid.

In the event of the award of a contract to the undersigned, the undersigned will execute same on Standard Form City construction Contract and make bond for the full amount of the contract, to secure proper compliance with the terms and provisions of the contract, and to insure and guarantee the work until final completion and acceptance or the end of the guarantee period where so stipulated, and to guarantee payment of all lawful claims for labor performed and materials furnished in the fulfillment of the contract.

The work proposed to be done shall be accepted when fully completed and finished to the entire satisfaction of the Director of Public Works.

The undersigned certifies that the bid prices contained in this proposal have been carefully checked and are submitted as correct and final.

Bidder is:

☐ An individual proprietorship;

☐ A partnership composed of _____ and _____

☒ A corporation chartered under the laws of the State of ILLINOIS, acting by its officers pursuant to its by-laws or a resolution of its Board of Directors.

K G M E , I N C .

(Name of Bidder)

By:

[Signature]

(Signature)

5-1-03

Date

ATTEST:

Vice President

(Title)

Amount of Base Bid (Insert Amount in Words and Numbers): _____

_____ \$ _____

Alternates (if applicable):

(1) _____

(3) _____

(2) _____

(4) _____

K G M E , I N C .

Company's Name

210 - 340 - 0540

Telephone No.

4820 BACON Rd.

Address

210 - 340 - 0560

Fax No.

SAN ANTONIO, TEXAS

City & State

78249

Zip Code

KGME, Inc hereby acknowledges receipt of addendum #1.

City of San Antonio

Economic Development Department Interdepartmental Memorandum

TO: William Krause, Capital Programs Manager, Public Works Department

FROM: Anita Uribe Martin, Economic Development Manager, E.D.D.

COPIES: Evelyn McRae; Courtney McClure; File

SUBJECT: List of Subcontractors Submitted for the Harris Storm Drainage Project

DATE: June 19, 2003

We have reviewed the Good Faith Effort Plan and List of subcontractors for the Harris Storm Drainage Project. The apparent low bidder has submitted contract amounts, which are reflected in the accurate percentages below.

<u>FIRM</u>	<u>CERTIFIED</u>	<u>MBE</u>	<u>WBE</u>	<u>AABE%</u>	<u>GFEP</u>
KGME	Yes	89.5% or \$1,285,426	0%	0%	Approved

If there are any questions, please call me at (210) 207-3901 or Courtney McClure at (210) 207-3913.



Anita Uribe Martin
Economic Development Manager
Small Business Outreach Division

AUM/CM

THE CITY OF SAN ANTONIO

WORKING DAY

CONTRACT (Standard Form)

THIS AGREEMENT made the 26th day of June in the year Two Thousand Three (2003) by and between KGME, Inc. hereinafter called the "Contractor", and the City of San Antonio, Texas, hereinafter called the "City or the Owner".

WITNESSETH, that the Contractor and the Owner for the consideration hereinafter named agree as follows:

Article 1. Scope of the Work - The Contractor shall furnish all the materials and perform all the Work called for in the Contract Documents and more specifically described in the Plans and Specification for the Project entitled:

HARRIS STORM DRAINAGE (ALVAREZ, GLASS, CASS, HALSTEAD)

Prepared by Brown Engineering Company, acting as, and in these Contract Documents entitled, the Project Design "Consultant".

Article 2. Time of Completion - The Contractor shall begin Work at the job site within seven (7) calendar days after the date of the Owner's written Authorization to Proceed issued by the Owner's Representative. The Work to be performed under this Agreement is to be completed by Contractor in ONE HUNDRED SEVENTY-FIVE (175) WORKING DAYS. For each Working Day that any Work is not completed after the expiration of Working Days stated above, plus any Extended Working Days granted by Owner in accordance with the Contract Documents, the sum as shown in the table below will be deducted from the money due or to become due the Contractor, not as a penalty, but as mutually agreed to liquidated damages and added expense for Owner Contract administration, not otherwise susceptible to exact determination by Owner and Contractor prior to the execution of this Agreement.

<u>Amount of Contract</u>	<u>Liquidated Damages per Day</u>
\$1,000,001 or Over	\$350.00
\$ 750,001 to \$1,000,000	\$300.00
\$ 500,001 to \$ 750,000	\$250.00
\$ 250,001 to \$ 500,000	\$200.00
\$ 100,001 to \$ 250,000	\$150.00
\$ 50,001 to \$ 100,000	\$100.00
\$ 0 to \$ 50,000	\$ 50.00

Article 3. The Contract Sum - The Owner shall pay the Contractor for the proper performance of the Contract, subject to additions and deduction provided therein, the Contract sum of:

Materials: _____ **AND**
Dollars, (\$ _____)

Services: _____ **AND**
Dollars, (\$ _____)

Total: **ONE MILLION, FOUR HUNDRED THIRTY-FOUR THOUSAND, SEVEN HUNDRED THIRTY-SIX**
AND 03/100 Dollars (\$1,434,736.03)

Article 4. Partial Payment - Each month, the Owner shall make a progress payment as approved by the Owner's Representative in accordance with Article VII of the General Conditions.

Article 5. Acceptance and Final Payment - Final Payment shall be due on final Owner acceptance of the Project Work, provided the Contract has been completed by Contractor as provided in Article IX of the General Conditions.

Before issuance of the final payment, the Contractor shall submit an affidavit and reasonable additional supporting evidence if required, as satisfactory to the Director of Finance, City of San Antonio, that all labor payrolls, construction materials and supply bills, subcontractors, and other indebtedness connected with the Work have been paid in full, or that an outstanding debt is being disputed and that the corporate surety or its agent is processing the outstanding claim and is willing to defend and/or indemnify the City should the City make final Contract payment.

Article 6. The Contract Documents - This Working Day Contract (Standard Form) the General Conditions, Special Conditions, Supplemental Conditions, Specifications, Agenda, Completed Bid Proposal Form, Invitation For Bids, Instructions to Bidders, Plans, Field Directives, Field Alterations, and Payment, Performance and Extended Warranty Bonds, form the Contract Documents and they are as fully a part of this Agreement as if hereto attached or herein repeated.

IN WITNESS WHEREOF, said City of San Antonio has lawfully caused these presents to be executed by the City Manager of said City, and the corporate seal of said City to be hereunto affixed and this instrument to be attested to by the City Clerk;

DONE at San Antonio, Texas, on the day and year first written above.

CITY OF SAN ANTONIO

By: _____
City Manager

ATTEST:

City Clerk

IN WITNESS WHEREOF, said Contractor has thoroughly read and understands this Agreement and the Contract Documents and the nature of this legal commitment and lawfully caused these presents to be executed by Contractor's legally authorized representative and does hereby deliver this legally binding instrument.

DONE at San Antonio, Texas, on the day and year first written above.

(See if Agreement is with Corporation)

KGME, INC.

Contractor

ATTEST:

BY:

Simon Salas
SIMON SALAS

COUNSEL

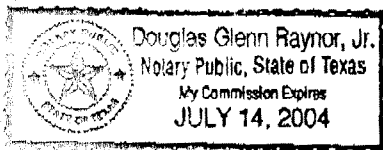
Title

Secretary

STATE OF TEXAS)

COUNTY OF BEXAR)

This instrument was acknowledged before me on this the 12 day of June 2003
Simon Salas COUNSEL for KGME, INC.
on behalf of said Corporation



Douglas Glenn Raynor, Jr.
NOTARY PUBLIC in and for the State of
TEXAS

Douglas Glenn Raynor, Jr.
NOTARY'S PRINTED SIGNATURE

July 14, 2004
MY COMMISSION EXPIRES: