



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:
District B, District H
Item Creation Date: 5/7/2025

HPW – 20INF2548 Accept Work / Nerie Construction, LLC

Agenda Item#:

Background:

SUBJECT: Accept Work for DR15 SWAT 12A Bonita Gardens Drainage and Paving Improvements.

RECOMMENDATION: (SUMMARY) Pass a motion to approve the final Contract Amount of \$8,376,625.73 or 4.60% under the original Contract Amount, accept the Work and authorize final payment.

PROJECT NOTICE/JUSTIFICATION: This program was intended to reduce the risk of future flood losses, including loss of mobility, consistent with disaster relief, long term recovery, restoration of infrastructure, housing and economic revitalization priorities established through City Council and Housing and Urban Development (HUD)-approved Community Development Block Grant-Disaster Recovery (CDBG-DR) Action Plans.

DESCRIPTION/SCOPE: This project consisted of roadside ditch improvements to serve Bonita Gardens area and pavement rehabilitation with asphalt overlay and mill on some streets using HUD CDBG-DR funds allocated to the City. R.G. Miller Engineers, Inc. designed the project with 480 calendar days allowed for construction. The project was awarded to Nerie Construction, LLC with an original Contract Amount of \$8,780,617.50.

LOCATION: The project area was generally bound by Laura Koppe Road on the north, Union Pacific Rail Road on the south, Lockwood Drive on the east and U.S. 59 on the west.

CONTRACT COMPLETION AND COST: The Contractor, Nerie Construction, LLC, has completed the work under the subject Contract. The project was completed beyond the established completion date with an additional 467 days approved by Change Order Nos. 1, 5, and 7. The final cost of the project, including overrun and underrun of estimated unit price quantities and previously approved Change Order Nos. 2-4, and 6, is \$8,376,625.73, a decrease of \$403,991.77 or 4.60% under the original Contract Amount and under the 5% contingency amount. The decreased cost is a result of the difference between planned and measured quantities.

M/WSBE PARTICIPATION: The M/WBE participation goal for this project was 18.00%. According to Office of Housing and Community Development, the participation was 3.43%. Contractor's M/WBE performance evaluation was rated Satisfactory for the following reasons: The Prime used the MBE/WBE firms originally listed for goal credit, however due to time restraints and challenges faced during the pandemic regarding price increases, the Prime could not fully utilize the MBE/WBE firms. Good faith efforts were made and a Satisfactory rating is given on the contract.

DocuSigned by:

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7/18/2025

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Randall V. Macchi, JD

Director, Houston Public Works

DocuSigned by:

A handwritten signature in black ink, appearing to read "Michael C. Nichols".

7/28/2025

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Michael C. Nichols, Director
Housing and Community Development Department

WBS No. M-420HUD-012A-4

Prior Council Action:

Ordinance No. 2021-0898, dated 10-20-2021

Amount and Source of Funding:

No additional funding required.

Total (original) appropriation of \$9,499,648.38

\$280,000.00 - Dedicated Drainage and Street Renewal Capital Fund - Drainage Charge - Fund No. 4042
\$9,219,648.38 - Federal Government – Grant Funded - Fund No. 5000

Contact Information:

Name	Service Line	Contact No.
Roberto Medina, Assistant Director	DO-HPW Council Liaison Office	832.395.2456
Maria Perez, HPW Agenda Coordinator	DO-HPW Council Liaison Office	832.395.2282
Tanu Hiremath, P.E., CFM, ENV SP Assistant Director	HPW, Infrastructure Delivery Line	832-395-2291

ATTACHMENTS:

Description	Type
Maps	Backup Material
OBO Documents	Backup Material
Prior Council Action	Backup Material
Ownership Information Form & Tax Report	Backup Material
Change Orders	Backup Material
Final Estimate	Backup Material