



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 10, 2013
Action Item for the City Council Meeting of December 17, 2013

DATE: November 20, 2013

TO: Ronald L. Olson, City Manager

FROM: Valerie Gray, P. E., Director of Streets and Storm Water Services
ValerieG@cctexas.com
(361) 826-3729

Daniel Biles, P. E., Director of Engineering Services
danb@cctexas.com
(361) 826-3729

Citywide Street Overlay and Sealcoat Indefinite Delivery/Indefinite Quantity Program-Pilot Program
Construction Contract, A/E Amendment and Testing Agreement Award

CAPTION:

Motion authorizing the City Manager, or designee, to execute a construction contract with Berry Contracting, LP, dba, Bay LTD. in the amount of \$6,147,094.05 for the Citywide Street Overlay and Sealcoat Indefinite Delivery/Indefinite Quantity (IDIQ) Pilot Program for Total Base Bid #1; and to execute a construction contract with Haas Anderson Construction, Inc. in the amount of \$11,920,961.00 for the Citywide Street Overlay and Sealcoat IDIQ Pilot Program for Total Base Bid #2; and to execute Amendment No. 2 to an engineering design contract with R.H. Shackelford, Inc. in the amount of \$548,513.00 for a re-stated total fee of \$743,360.00 for development of remaining pilot program delivery orders; and to execute a testing agreement with Rock Engineering and Testing Laboratory in the amount \$73,099.00 for the Citywide Street Overlay and Sealcoat IDIQ Program for construction material testing.

PURPOSE:

The purpose of this Agenda Item is to award two construction contracts, a design amendment, and a construction materials testing agreement so work may begin on the pilot program of the Citywide Street Preventive Maintenance Pilot Program (SPMP).

BACKGROUND AND FINDINGS - CONSTRUCTION CONTRACT:

This IDIQ construction project provides for the implementation of the citywide SPMP for Hot Mix Asphalt Concrete (HMAC) Arterial, Collector and Residential street overlay and asphaltic seal coat preventative maintenance. This contract is a multi-year IDIQ proposal that will be awarded to two contractors based on the type of work, Method of Award and bids received.

Base Bid 1: Provides for the Seal Coat of streets with minor HMAC repairs and level ups, base repairs; pavements markings and traffic control; manhole ring and cover adjustments; minor concrete improvements including curb & gutter, sidewalks and driveways; mobilization, hauling, disposal and other necessary miscellaneous improvements.

Base Bid 2: Provides for HMAC Overlays with the HMAC repairs/patching and full depth base repairs; pavement markings and traffic control; manhole ring and cover adjustments; minor concrete improvements including curb & gutter, ADA ramps, sidewalks and driveways; mobilization, hauling, disposal and other necessary miscellaneous improvements.

Base Bid 3: Provides for combined base bid for both the Seal Coats and Overlays with the HMAC repairs/patching and full depth base repairs; level ups, pavement markings and traffic control; manhole ring and cover adjustments; minor concrete improvements including curb & gutter, ADA ramps, sidewalks and driveways; mobilization, hauling, disposal and other necessary miscellaneous improvements.

The initial base year of this contract will be 365 calendar days and includes three (3) optional one-year extensions. The City may administratively award option years for either or both construction contracts subject to the availability of funds for that calendar year. The actual work performed will be approved and issued through multiple Delivery Orders (DO's) within the two Base Bids. Approximately five DO's for each base bid, will be issued for each year pending availability and certification of funding.

On November 20, 2013, the City received proposals from two (2) bidders. The bidders and their respective bids are as follows:

Contractor	Base Bid 1	Base Bid 2	Base Bid 3
Berry Contracting, LP, dba, Bay, Ltd.	6,147,094.05	12,744,245.00	18,673,886.55
Haas Anderson Construction, Inc.	No Bid	11,920,961.00	18,141,629.00

Awarding the project to two contractors is in the best interest of the City. Awarding Base Bid 1 to Berry Contracting, LP, dba, Bay LTD. in the amount of \$6,147,094.05 and awarding Base Bid 2 to Haas Anderson Construction, Inc. in the amount of \$11,920,961.00 has a total project construction value of \$18,068,055.05. The lowest bid for Base Bid 3 was \$18,141,629.00.

The Design Engineers estimate for construction for Base Bid 3 is \$13,238,325.00. The total value of both Base Bid 1 and Base Bid 2 construction contracts is 36% higher than the Design Engineer's estimate. In making this contract award recommendation, City staff acknowledges and agrees with the Design Engineer's assessment of the current market conditions. Factors including limited response, contractor availability and local construction backlog all contribute to this higher pricing. As a consequence of these bid results, the number of streets that could be maintained through this pilot program has been reduced. All work complies with the Council approved work plan.

BACKGROUND AND FINDINGS – DESIGN AMENDMENT:

The proposed Design Contract Amendment #2 includes the work necessary for the preparation and development of the remaining DO's required to complete the pilot program construction. Specific contract tasks include determining the best method of repair and detailed material quantities for each repair area. The Design Engineer will develop DO's and conduct a site visit with the Contractor and City staff to verify the scope, quantities, and completion period. Construction costs for each repair area will be developed using unit prices from the construction contract documents as approved by Council action. Actual material quantities and costs will be measured and verified by City field inspection during construction.

ALTERNATIVES:

Construction Contract:

- 1. Execute the two separate construction contracts as recommended by City staff.
- 2. Do not execute the two separate construction contracts as recommended by City staff.
- 3. Execute one construction contract to one bidder only.
- 4. Re-advertise the project and solicit new bids.

Design Amendment #2:

- 1. Execute Amendment No. 2 with RH Shackelford, Inc. as recommended.
- 2. Do not execute Amendment No.2 with RH Shackelford, Inc. and direct staff to investigate a plan to execute the project with in-house forces.

OTHER CONSIDERATIONS:

Award of all pilot program DO's, and start of any construction. will be subject to the availability and certification of funds collected through the implementation of the Street User Fee, Regional Transportation Authority, General Fund contributions and Bond 2012 Street ADA program budget. Authority to exercise construction contract Option Years 1 through 3 is delegated to the City Manager, or his designee, subject to availability of funds. Issuance of future option year DO's, testing and inspection services agreements will be addressed by a separate procurement effort as applicable.

CONFORMITY TO CITY POLICY:

The construction contract complies with City Policy concerning bidding and purchasing procurement requirements. The contract amendment and testing agreement comply with City policy regarding Professional Service Contracts and financial policies as part of the FY2013 Operating Budget.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Street Department

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Years 2013 - 2015	FY 12 - 13	FY 13 - 14	FY 14 - 15	TOTALS
Line Item Budget	240,597.00	10,142,000.00	6,600,000.00	16,982,597.00
Encumbered/Expended Amount	240,597.00			240,597.00
This item (Construction)		9,405,000.00	8,663,055.05	18,068,055.05
This item (Amend #2)		350,000.00	198,513.00	548,513.00
This item (Testing)		73,099.00	0.00	73,099.00
Future Anticipated Expenditures		305,000.00	167,500.00	472,500.00
BALANCE	0	8,901.00	(2,429,068.05)	(2,420,167.05)

Fund(s): Streets Fund, Street User Fee, Bond 2012

Comments: This contract is a Calendar Year contract and will use funds from Fiscal Year 2014 and 2015 to execute the annual work plan. Though the total value of the construction contracts are being awarded at this time, actual construction scheduling will be dependent upon availability and certification of funds received through the Street User Fee, other funding sources and DO's approved and issued through the City.

RECOMMENDATION:

City Staff recommends approval of:

- A construction contract with Berry Contracting, LP, dba, Bay LTD. in the amount of \$6,147,094.05 for the Citywide Street Overlay and Sealcoat Indefinite Delivery/Indefinite Quantity (IDIQ) Pilot Program for Total Base Bid #1
- A construction contract with Haas Anderson Construction, Inc. in the amount of \$11,920,961.00 for the Citywide Street Overlay and Sealcoat Indefinite Delivery/Indefinite Quantity (IDIQ) Pilot Program for Total Base Bid #2
- Amendment No. 2 with RH Shackelford, Inc. in the amount of \$548,513.00 for development of remaining pilot program delivery orders
- A Testing Agreement with Rock Engineering and Testing Laboratory in the amount \$73,099.00 for construction material testing.

LIST OF SUPPORTING DOCUMENTS:

Project Budget
Amendment No. 2
Testing Agreement
Location Map
PowerPoint