



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of January 24, 2017

Action Item for the City Council Meeting of January 31, 2017

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**DATE:** December 28, 2016

**TO:** Margie C. Rose, City Manager

**THRU:** Mark Van Vleck, Assistant City Manager  
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<p style="text-align: center;"><b><u>Engineering Construction Contract</u></b> <b>Street Preventative Maintenance Program (SPMP)</b> <b>FY 2017 – Street Overlays</b></p>
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**CAPTION:**

Motion authorizing the City Manager, or designee, to execute a construction contract with Bay, LTD. of Corpus Christi, Texas in the amount of \$9,421,462.50 for the total base bid and two (2) one-year renewal options for the Street Preventative Maintenance Program (SPMP) street overlays and to execute two construction materials testing agreement with Rock Engineering for Part 1 – West in the amount of \$74,965.00 and for Part 2 – East in the amount of \$74,965.00 for SPMP street overlays.

**PURPOSE:**

The purpose of this Agenda Item is to obtain authority to execute a construction contract and a construction materials testing agreement for Street Preventative Maintenance Program street overlays project.

**BACKGROUND AND FINDINGS:**

This project is the continuation of the City Council approved 10-year street maintenance program

with an annual \$15M budget for citywide Street Preventative Maintenance Program (SPMP) funded in part by the approved street maintenance fee. The program is entering the 4th year (FY 2017). This item provides the construction contract for Hot-Mix Asphalt Concrete (HMAC) overlays and associated construction material testing for FY 2017.

The construction contract for HMAC overlays is a multi-year Indefinite Delivery Indefinite Quantity (IDIQ) construction contract with one base year plus two 1-year optional renewals. Multiple "Delivery Orders" (DOs) will be issued to the contractor with specific scope and quantities for each street to implement the approved street work-plan throughout the City. The contractor's bid prices are the basis for the DO unit prices.

The combined Overlay project was developed and bid as a single project with two Base Bid Schedules; Parts 1 – West of Crosstown and Part 2 – East of Crosstown. It is anticipated that up to five DOs will be issued for each part, for a total of ten potential DOs. The two smaller Base Bid Schedules were provided to increase competition and opportunities for small contractors to participate and potentially allow award to multiple contractors.

Overlay reconstruction consists of milling the upper layer of HMAC (typically 1-1/2") with required base repairs, crack seal, limited curb & gutter, ADA improvements and other miscellaneous activities. The DOs identify specific streets and quantities to track all work and cost per street.

Construction Materials Testing is required for the base material, HMAC and concrete to verify conformance to City standards for thickness, compaction and strength. Testing is performed at standard intervals based on the City's testing schedule, typically 300' intervals.

The City website contains a list of all streets maintained through the SPMP and Street Department.

The project bid on December 7, 2016, with bids as follows:

Description	Contractor		
	Bay, Ltd.	Haas-Anderson Construction, Ltd.	J. Carroll Weaver, Inc.
Base Bid Part 1 (West)	\$4,731,555.75	\$4,963,940.25	\$7,045,730.34
Base Bid Part 2 (East)	\$4,689,906.75	\$4,781,940.25	\$7,045,730.34
<b>Total Base Bid</b>	<b>\$9,421,462.50</b>	<b>\$9,745,880.50</b>	<b>\$14,091,460.68</b>

#### **ALTERNATIVES:**

1. Authorize execution of one construction contract to one contractor for both parts.  
(Recommended)
2. Authorize execution of two construction contracts, one for each part.  
(Not Recommended)
3. Do not authorize execution of a construction contract. (Not Recommended)

#### **OTHER CONSIDERATIONS:**

LNV, Inc. is the design engineer that was selected for this project under RFQ 2016-01. Bay, Ltd. was evaluated and determined responsive, responsible and capable to complete both parts. Therefore, a single contract for construction of overlays for the SPMP program is recommended.

**CONFORMITY TO CITY POLICY:**

Complies with statutory requirements for construction contracts.

**EMERGENCY / NON-EMERGENCY:**

Not applicable

**DEPARTMENTAL CLEARANCES:**

Street Department

**FINANCIAL IMPACT:**

☒ Operating

☐ Revenue

☐ Capital

☐ Not applicable

<b>Fiscal Year 2016-2017</b>	<b>Project to Date Budget and Expenditures</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget	\$762,939.00	\$10,287,061.00		\$11,050,000.00
Encumbered / Expended Amount	762,939.00	0		762,939.00
<b>This item</b>		<b>\$9,571,392.50</b>		<b>\$9,571,392.50</b>
Future Anticipated Expenditures This Project		601,500.00		601,500.00
<b>BALANCE</b>	<b>\$0</b>	<b>\$114,168.50</b>		<b>\$114,168.50</b>

Fund(s):

**Comments:** N/A

**RECOMMENDATION:**

City staff and LNV recommend one construction contract be awarded to Bay, LTD., for both parts, in the amount of \$9,421,462.50 for the total base bid and to award two construction materials testing agreement with Rock Engineering in the amount of \$74,965.00 for Part 1 – West and in the amount of \$74,965.00 for Part 2 - East for the SPMP street overlays project.

**LIST OF SUPPORTING DOCUMENTS:**

Project Budget  
Location Map  
Presentation  
Letter of Recommendation  
Form 1295 – Bay, Ltd.  
Testing Agreement West  
Testing Agreement East  
Form 1295 – Rock Eng. (2)