



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting of March 31, 2020

**DATE:** February 21, 2020

**TO:** Peter Zanoni, City Manager

**FROM:** Jeff H. Edmonds, P. E., Director of Engineering Services  
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### **Construction Contract Award**

**Airline Road - South Padre Island Drive (SPID) to McArdle Road  
(Bond 2018, Proposition B)**

### **CAPTION:**

Motion awarding a construction contract to JE Construction Services, LLC, for reconstruction and utility improvements of Airline Road from South Padre Island Drive (SPID) to McArdle Road with new asphalt pavement in the amount of \$2,812,655.50, located in Council District 2, funding is available from the Street Bond 2018, Proposition B and FY2020 Storm Water, Wastewater, and Water Funds.

### **SUMMARY:**

This motion approves a construction contract with JE Construction Services, LLC, in the amount of \$2,812,655.50 for reconstruction and utility improvements of Airline Road from SPID to McArdle Road.

### **BACKGROUND AND FINDINGS:**

Airline Road is classified as an Arterial Street from SPID to McArdle Road. Airline is heavily congested roadway that has exceeded its service life and economical maintenance. The existing roadway is experiencing continual pavement distresses and

failures. Full depth replacement of the existing roadway is needed to improve the roadway conditions and accessibility.

This project provides improvements for Airline Road from SPID to McArdle Road with new pavement, curb & gutter, sidewalks, ADA ramps, signage, and pavement markings. Utility improvements include new underground storm water and water, with minor adjustments to wastewater.

The project was developed with two Base Bids. Bidders submitted bids on either Base Bid 1 or Base Bid 2 or both.

**Base Bid No. 1** – This project includes reconstruction of approximately 1,400 LF of Airline Road from SPID to McArdle Road with new asphalt pavement, curb & gutter, sidewalk, ADA ramps, pavement markings, and signage along with Storm Water and Water improvements.

**Base Bid No. 2** – This project includes reconstruction of approximately 1,400 LF of Airline Road from SPID to McArdle Road with new concrete pavement, curb & gutter, sidewalk, ADA ramps, pavement markings, and signage along with Storm Water and Water improvements.

#### **PROJECT TIMELINE:**

2019								2020									
M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Design								Bid/Award		Construction							

Project schedule reflects City Council award in March 2020 with anticipated completion in October 2020.

#### **COMPETITIVE SOLICITATION PROCESS**

The project was bid for Base Bid 1 (Asphalt) and Base Bid 2 (Concrete). On February 12, 2020, City received seven bids (four bids for asphalt and three bids for concrete). A summary of the bids is provided below.

<b>BID SUMMARY – BASE BID 1 (ASPHALT)</b>	
<b>CONTRACTOR</b>	<b>BASE BID</b>
<b>JE Construction Services, LLC</b>	<b>\$2,812,655.50</b>
Bay LTD	\$3,430,166.75
Diamond X Contracting, Inc.	\$3,435,959.35
Clark Pipeline Services	\$4,422,413.29
<b><i>Engineer's Opinion of Probable Cost</i></b>	<b><i>\$2,881,000.00</i></b>

<b>BID SUMMARY – BASE BID 2 (CONCRETE)</b>	
<b>CONTRACTOR</b>	<b>BASE BID</b>
<b>JE Construction Services, LLC</b>	<b>\$3,031,345.30</b>
Reytec Construction	\$3,380,184.00
Diamond X Contracting, Inc.	\$4,187,221.50
<b><i>Engineer's Opinion of Probable Cost</i></b>	<b><i>\$3,378,000.00</i></b>

Per City Council Policy 28 - Award Guidelines for Arterial and Collector Streets, an award recommendation for concrete pavement is made if the total cost of the concrete bid does not exceed \$125,000 per lane-mile of the asphalt cost. This project includes approximately 0.3 lane-miles of pavement so the recommendation would be for concrete if it was within \$37,500 of the asphalt bid. The cost of the concrete low bid is \$218,689.80 above the asphalt lowest bid so Staff recommends the award of Base Bid 1 for asphalt pavement.

The City determined JE Construction Services, LLC is the lowest responsive and responsible bidder. JE Construction Services, LLC has completed City projects like Ralston Avenue (2018), Rogerson Drive (2019), Oso Pool (2018), and other projects in the area such as the Port and the American Bank Center.

### **ALTERNATIVES:**

The alternative is to reject the low bid for asphalt pavement and pay extra for concrete pavement. This would increase costs for the project by \$218,689.80.

### **FISCAL IMPACT:**

The item proposes to award a construction contract to JE Construction Services, LLC, in the amount of \$2,812,655.50 for the construction phase of the Airline Road from SPID to McArdle Road project. Project funds are available through the Street Bond 2018, Proposition B and FY2020 Storm Water, Wastewater, and Water Funds.

**Funding Detail:**

Fund: **Street Bond 2018, Proposition B (Fund 3557)**

Mission Elem: Street Pavement Maintenance (ME 051)

Project No.: Airline Road - South Padre Island Drive to McArdle Road (Proj 18004A)

Account: Construction (Account #550910)

Activity: 18004-A-3557-EXP

Amount: \$1,555,340.00

Fund: **Storm Water (Fund 4532)**

Mission Elem: Storm Water Drainage (ME 043)

Project No.: Airline Road - South Padre Island Drive to McArdle Road (Proj 18004A)

Account: Construction (Account #550910)

Activity: 18004-A-4532-EXP

Amount: \$698,233.00

Fund: **Wastewater (Fund 4257)**

Mission Elem: Wastewater Collection System (ME 042)

Project No.: Airline Road - South Padre Island Drive to McArdle Road (Proj 18004A)

Account: Construction (Account #550910)

Activity: 18004-A-4257-EXP

Amount: \$14,300.00

Fund: **Water (Fund 4099)**

Mission Elem: Water Distribution System (ME 041)

Project No.: Airline Road - South Padre Island Drive to McArdle Road (Proj 18004A)

Account: Construction (Account #550910)

Activity: 18004-A-4099-EXP

Amount: \$544,782.50

**RECOMMENDATION:**

Staff recommends awarding the reconstruction of Airline Road, from SPID to McArdle Road construction project in the amount of \$2,812,655.50 to JE Construction Services, LLC. The construction duration is planned for 7 months from issuance of the Notice to Proceed to begin construction in April 2020.

**LIST OF SUPPORTING DOCUMENTS:**

Location Map

Bid Tab