



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting of October 19, 2021

**DATE:** October 19, 2021

**TO:** Peter Zaroni, City Manager

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<p style="text-align: center;"><b><u>Construction Contract Award</u></b> <b>Callicoatte Road from IH37 to Up-River Road</b> <b>(Bond 2018, Proposition A)</b></p>
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### **CAPTION:**

Resolution rejecting the low bid of Clore Equipment, LLC in the amount of \$1,914,111.82, as non-responsive for failure to demonstrate the required experience by not completing the Statement of Experience, and awarding a construction contract to Reytec Construction Resources, Inc., Corpus Christi, TX, for the reconstruction of Callicoatte Road from IH37 to Up-River Road, located in City Council District 1, with new concrete pavement and utility improvements in an amount of \$1,927,197.50, with FY 2022 funding available from the Streets Bond 2018, Storm Water, Wastewater, Water, and Gas Funds.

### **SUMMARY:**

This item awards a construction contract to Reytec Construction Resources, Inc. for the reconstruction of Callicoatte Road from IH37 to Up-River Road. The construction will include new concrete pavement, driveways, pavement markings, signage, street lighting improvements and utility improvements to water, wastewater, storm water and gas.

### **BACKGROUND AND FINDINGS:**

Callicoatte Road, from IH37 to Up-River Road, is classified as a Secondary Arterial roadway and is 0.20 miles (or .46 lane miles) in length. The road consists of two asphalt pavement lanes with shallow swales on each side for drainage. This section of street was originally constructed in 1927 and was reconstructed in 1993.

The proposed project will provide new 28' wide pavement, driveways, pavement markings, signage, underground storm water infrastructure with inlets, and wastewater, water, gas, and illumination improvements. This roadway section provides access to residential properties, a church, and a through access to Up River Road. Adjacent property owners have been notified of the project and City staff will continue to work with them throughout the project to inform the public and minimize inconveniences for the duration of the construction.

#### **PROJECT TIMELINE:**

2020												2021												2022				
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M
Design																		Bid / Award		Construction								

Project schedule reflects City Council award in October 2021 with construction completion in May 2022.

#### **COMPETITIVE SOLICITATION PROCESS:**

The Contracts and Procurement Department issued a Request for Bids. On August 19, 2021, the City received six bids for Base Bid 1 (Asphalt) and six bids for Base Bid 2 (Concrete). A summary of the bids is provided below:

CONTRACTOR	BASE BID 1 (ASPHALT)	BASE BID 2 (CONCRETE)
<b>Mako Contracting</b>	<b>\$1,870,880.35</b>	\$1,930,734.35
Clore Equipment, LLC	\$2,002,996.35	<b><u>\$1,914,111.82</u></b>
Bay Ltd	\$2,067,000.00	\$2,117,000.00
Reytec Construction Resources	NO BID	<b><u>\$1,927,197.50</u></b>
Gerke Excavating	\$2,062,212.64	\$2,176,974.66
Clark Pipeline Services	\$2,471,475.96	NO BID
JE Construction Services, LLC	\$2,701,477.50	\$2,717,362.50
<b><i>Engineer's Opinion of Probable Cost</i></b>	<b><i>\$1,874,814.19</i></b>	<b><i>\$2,057,034.70</i></b>

The lower lifecycle maintenance costs of concrete pavement justify a slightly higher construction cost. City Council Policy 28 provides guidelines for awarding bids when projects are designed with alternative concrete and asphalt pavement sections. Per City Council Policy 28, an award recommendation for concrete pavement is made if the additional construction cost for the concrete bid does not exceed \$125,000/lane-mile or \$17.75/square yard (SY) over the total construction cost for the asphalt pavement bid.

This Callicoatte Road project contains 0.46 lane-miles or 3,210 SY of new pavement. The total construction cost differential between the second lowest concrete bid and the lowest asphalt bid is \$56,317.15. Dividing the bid differential by the surface area of new pavement yields \$123,511.76 per lane-mile or \$17.54 per SY. That cost differential is 98.81% of the differential that Council Policy 28 would allow paying to get the higher cost concrete pavement alternative. The Plasticity Index (PI) of the underlying subgrade ranges from 30 to 44 and will require lime

stabilization regardless of the pavement type. The connecting streets, IH 37 North Bound Access Road and Up River Road, are comprised of asphalt surfacing.

The lowest bid for concrete was provided by Clore Equipment, LLC. Clore Equipment, LLC failed to demonstrate the required experience by not completing the Statement of Experience. As per bid requirements of the City policy they are considered non-responsive and has resulted in the rejection of the bid by the City. Staff therefore recommends awarding Reytec Construction Resources, Inc. Base Bid 2 for concrete pavement consistent with Council Policy 28.

Reytec Construction Resources has successfully completed numerous street projects for the City such as Everhart Rd (Holly Rd to SPID), Six Points Intersection Improvements, Chaparral Street (Schatzel to Taylor), Flato Rd (Bates Rd to Agnes St.), Williams Drive (Rodd Field to Staples), S. Staples St. (Kostoryz Rd. to Brawner Pkwy) and Kostoryz Road (Brawner to Staples).

### **ALTERNATIVES:**

The alternative is not to award construction contract to Reytec Construction Resources, Inc. which would delay the project and conflict with City Council's goal to expedite Bond street projects.

### **FISCAL IMPACT:**

The fiscal impact in FY 2022 is an amount of \$1,927,197.50 with funding available from the Streets Bond 2018, Storm Water, Wastewater, Water, and Gas Funds.

### **FUNDING DETAIL:**

The Capital Improvement Program (CIP) shows the project is planned for FY2022. The project is ready to be implemented and expenditures are within budget as shown in the CIP.

Fund:	<b>Street- ST2020 Bd18 PI (Fund 3556)</b>
Mission Element:	Street Pavement Maintenance (ME 051)
Project:	Callicoatte Road from IH37 to Up-River Road (18010A)
Account:	Construction (550910)
Activity:	18010-A-3556-EXP
Amount:	\$653,709.60

Fund:	<b>Storm Water- StrmWtr 2021 CI (Fund 4533)</b>
Mission Element:	Drainage Infrastructure (ME 043)
Project:	Callicoatte Road from IH37 to Up-River Road (18010A)
Account:	Construction (550910)
Activity:	18010-A-4533-EXP
Amount:	\$331,775.40

Fund:	<b>Wastewater- WW 2021 CIP (Fund 4258)</b>
Mission Element:	Wastewater Collection System (ME 042)
Project:	Callicoatte Road from IH37 to Up-River Road (18010A)
Account:	Construction (550910)
Activity:	18010-A-4258-EXP
Amount:	\$284,157.55

Fund:	<b>Water- Water Cap Rev (Fund 4480)</b>
Mission Element:	Distribute Water (ME 041)

Project: Callicoatte Road from IH37 to Up-River Road (18010A)  
Account: Construction (550910)  
Activity: 18010-A-4480-EXP  
Amount: \$569,532.60

Fund: **Gas- Gas 2015 Bnd (Fund 4561)**  
Mission Element: Gas Distribution System (ME 022)  
Project: Callicoatte Road from IH37 to Up-River Road (18010A)  
Account: Construction (550910)  
Activity: 18010-A-4561-EXP  
Amount: \$88,022.35

**RECOMMENDATION:**

Staff recommends awarding a construction contract to Reytec Construction Resources, Inc., for the reconstruction of Callicoatte Road from IH37 to Up-River Road, in the amount of \$1,927,197.50 for the reconstruction using concrete pavement with construction duration planned for seven months from issuance of the Notice to Proceed.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Location Map  
Bid Tabs  
FY2022 CIP Page