

PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: August 2, 2016

<u>Subject</u> 2016/17 Reconstruction of Curbs, Gutters and Sidewalks Project, Project No. 2017-01

Recommended Action

Authorize the City Manager to award and execute a contract with Spencon Construction, Inc., in the amount of \$1,943,818 and approve a construction contingency of \$56,182, for a total of \$2,000,000.

Discussion

On July 26, 2016, the City received two bids for the 2016/17 Reconstruction of Curbs, Gutters and Sidewalks Project. The concrete improvements to be completed by this project support the annual paving projects by providing on-street accessibility improvements, repairing uplifted sidewalks, and resolving gutter drainage issues on streets scheduled for asphalt improvements. Additionally, this project will perform other concrete repairs at various locations throughout the City. The following is a summary of bids deemed complete:

Bidder	Bid Amount
Engineers Estimate	\$1,641,158
Spencon Construction, Inc.	\$1,934,818
JJR Construction, Inc.	\$1,993,015

The lowest responsive bid for this project is 17.75% above the engineers estimate. The engineers estimate for this project was based upon favorable competitively bid unit costs of a similar project awarded this past November. An increase in concrete material cost was the likely factor in the two bids coming in above the estimate. Spencon Construction, Inc. has satisfactory completed prior concrete projects for the City. With the scope and quantity of work fixed for this project, there is no advantage in rejecting and rebidding this work. Additionally, each week of favorable weather is critical to meet the overall construction schedule. This project will start as early as this month.

<u>Sustainability Impact</u> No sustainability impact. <u>Fiscal Impact</u>

Award of the project will result in a fiscal impact of up to \$2,000,000. Sufficient funds have been budgeted and are available from account numbers 270-85-820-900-922 (Concrete Maintenance) and 270-85-821-921 (Street Pavement Maintenance).

<u>Prepared by</u>: Roger Lee, Assistant Director of Public Works <u>Reviewed by</u>: Timm Borden, Director of Public Works <u>Approved for Submission by</u>: David Brandt, City Manager <u>Attachments</u>:

A – Bid Summary

B - Draft Contract