



BRECKENRIDGE CITY COMMISSION AGENDA SUMMARY FORM

Subject: Discussion and any necessary action regarding award of construction contract related to the TX-CDBG #CDM22-0020 Downtown Revitalization Project

Department: Administration

Staff Contact: Cynthia Northrop

Title: Admin

BACKGROUND INFORMATION:

The City received a Downtown Revitalization grant for \$500,000 for sidewalk improvements at Rose Avenue and Elm Street. The construction contract came in lower than expected which has allowed us to use leftover funds to pave Elm Street from Rose Avenue to McAmis. That is also the location of water line improvements currently underway through the TWDB DWSRF project. That project is also underway and they are starting the water line replacement for W. Elm with the section between Rose and McAmis first, so we can immediately follow up with the pavement project using leftover funds from the Downtown Revitalization project.

A Request for Proposals was issued. Two bids were received. Unfortunately, while both bids meet requirements of the Contract Documents, they both came in higher than what we budgeted for the project. Current funds available are \$148,692. The Engineer's estimate for the project is \$200,000. We knew we would need to cover the delta of approximately \$50,000.

Bidders and amounts are:

MTL Construction - \$278,964.16
Salvation Site Services - \$300,327.00

We have two options:

1. Reject all bids and rebid the project
2. Award the bid to MTL Construction and pay an additional \$130,272.16 instead of \$50,000.

FINANCIAL IMPACT:

Funding Summary

The project is funded through a **\$500,000 grant with a required local match of \$75,000**. The City is also contributing **\$18,500 in additional local funds** to support Phase II engineering.

- **Grant Funds:** \$500,000
- **Local Match:** \$75,000

- **Additional Local Funds:** \$18,500

Total Project Budget: \$593,500

Budget Overview

- **Administration:** \$35,000 (Grant)
- **Engineering Phase I:** \$105,400 (\$65,400 Grant / \$40,000 Local Match)
- **Engineering Phase II:** \$18,500 (Additional Local Funds)
- **AAJ Construction (Phase I – Sidewalks):** \$285,908
 - \$270,302.61 Grant / \$15,605.39 Local Match
- **Construction Phase II (Elm Street):** \$148,692
 - \$129,297.39 Grant / \$19,394.61 Local Match

STAFF RECOMMENDATION:

Due to the cost, City Engineer and city staff recommend rejecting all bids and re-bidding the project.