



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of March 13, 2023

Title/Subject

Resolution No. 2261- Award Construction Contract for E Penney Ave. Extension.

Summary and Background

This resolution will award a construction contract to build a new roadway extension of East Penney Avenue to connect Kelli Boulevard to Highway 395 in the South Hermiston Industrial Park area.

City Staff worked with Anderson Perry & Associates, and the various property owners and businesses in the South Hermiston Industrial Park in the Spring of 2019 to identify future transportation enhancements to improve traffic flow within this employment center. The section of Penney Avenue from Kelli to Highway 395 was identified as a high priority, however it was chosen to be left to a future phase, rather than be included in improvements for the South Hermiston Industrial Park Local Improvement District improvements which were completed in 2021.

City staff worked closely with the Oregon Business Development Department to pursue funding for this section of roadway through their "Immediate Opportunity Fund" with ODOT, and ultimately was awarded IOF grant funds up to \$596,600; which operate as a 50% state match. In accepting the grant award, City Council, in mid-2022, agreed to earmark up to \$596,000 in American Rescue Plan Act (ARPA) funding to make up the City's local match.

Bids were opened on March 7, with a very strong field of 10 contractors submitting bids, and James Dean Construction coming in as the low bidder. It is now anticipated that, upon contract award, work will begin in the Spring, and the roadway will be completed and open to traffic by late Fall.

Tie-In to Council Goals

7. Fund infrastructure improvements to support new housing and enhance livability.

Fiscal Information

Ten bids were received as follows:

- James Dean Construction:	\$535,680
- Bolen Construction:	\$612,060
- Nelson Construction:	\$613,544
- Odyssey Contracting:	\$619,317
- Granite Construction Co:	\$620,445
- Silver Creek Construction:	\$633,874
- *Engineer's Estimate*	\$665,000
- Sineco Construction:	\$696,135
- Beam Excavating:	\$699,387
- C & E Trenching:	\$705,609
- Jesse Rodriguez Construction:	\$747,889

Alternatives and Recommendation

Alternatives

1. Approve resolution 2261
2. Reject resolution 2261

Recommended Action/Motion

Motion to approve Resolution 2261

Submitted By:

Mark Morgan