



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Public Works	David Lady - Public Works Director	May 21, 2024

ITEM

Council Action – Award Oak Street Reconstruction Project

Consent Agenda

BACKGROUND

The Salida City Council adopted the US-50 and CO 291 Intersection Control Evaluation Plan on March 16, 2021. This study included streetscape planning for Oak Street from the Toubert Building to US-50. The proposed alternative street section for these improvements includes bike lanes, curb & gutter, sidewalk, stormwater improvements, and lighting upgrades.

Since that time, staff submitted a grant application for the CDOT Mainstreet grant program. The City was a successful recipient of \$2,000,000 in grant funding through this program. After the funding was established, the necessary surveying and engineering have been completed along with the required approvals through CDOT processes.

Through the design processes, CDOT and the design engineers proposed additional drainage improvements necessary to help with regional drainage issues and to better accommodate future redevelopment of parcels along this corridor. Also, during the design processes, other developments were approved including 505 Oak Street multi-family project, the Fire Station, and School District Administrative Office/Crest Academy. Design modifications were needed to best suit the changes in area. These changes in scope ultimately led to a higher construction cost.

The project was advertised, and bids were received on April 23, 2024 as follows:

Bidder	Phase 1 (Crestone to Grant) Total	Business Location / Local Preference	Percent Above Low Bid
Y&K Excavating, Inc.	\$3,793,122.50	Salida – 5.0%	Low Bidder
Jarcco Construction, Inc.	\$4,098,449.30		

Y&K has performed multiple projects for the City with excellent quality and service for this type of work. Unit prices were generally consistent with the engineers estimate for the improvements.



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FISCAL NOTE

The 2024 Capital Budget line items are as follows:

\$4,075,000 (31-30-6017)	Streets – Other (of this total, \$2,352,941 was budgeted for this project: \$2M State/\$352k City match)
\$300,000 (31-30-6020)	Streets – Rehabilitation (This \$300,000 will be applied to help fund the overage)
\$100,000 (21-30-6019)	Water – Infrastructure Upgrades & Replacements

	Base Bid (1)	Soft Costs (2)	Project Total Budget (1+2)
STREET CONSTRUCTION	\$3,724,872.50	\$111,746.18	\$3,836,618.68
WATER CONSTRUCTION	\$68,250.00	\$2,047.50	\$70,297.50
TOTAL	(BASE BID) \$3,793,122.50	\$113,793.68	\$3,906,916.18

(2) Soft costs ~ 3.0% QA/QC and Construction Administration

The base bid exceeds the original budget amount by \$1,440,181. As noted, this overage is largely in part due to the additional storm sewer enhancements necessary to properly reconstruct the road and to accommodate additional sidewalk, curb, and gutter related to adjacent site development. CDOT is investigating options to allocate funds to help support this overage with a proposed 50/50 split with the City. This match would be \$720,090 by each party. Because of this, conditional approval is recommended until the match by the State is formalized.

The project will require a budget amendment for completion of work. \$300,000 is proposed to be reallocated from the Street-Rehabilitation line item to this project. A budget amendment to support the soft costs paid for by the City and the additional match with CDOT for the overages totals \$533,885

STAFF RECOMMENDATION

Award a construction contract for the Oak Street Reconstruction Project, conditional on CDOT concurrence and funding, and authorizing the City Administrator to enter into a Construction Agreement between the City and Y&K Excavation, Inc. in the amount of \$3,793,122.50 with a total project budget of \$3,906,916.18.



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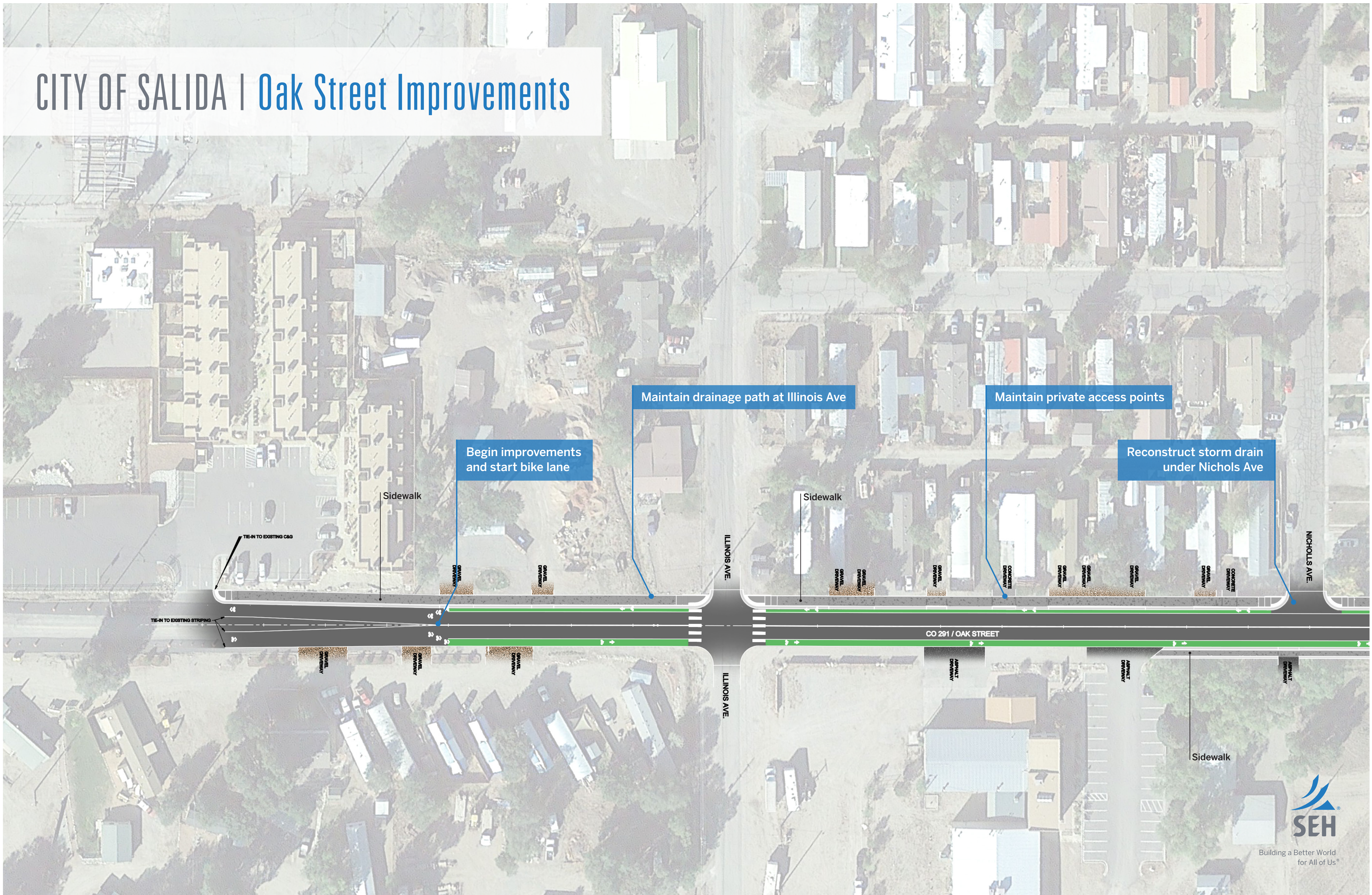
Anticipate a budget amendment in the amount of \$1,253,975 with a revenue offset of \$720,090 for a net impact of \$533,885

Approve a Professional Services Agreement with SEH Engineering, the design engineer on the project, for construction administration and materials testing in the amount not to exceed \$113,793.68.

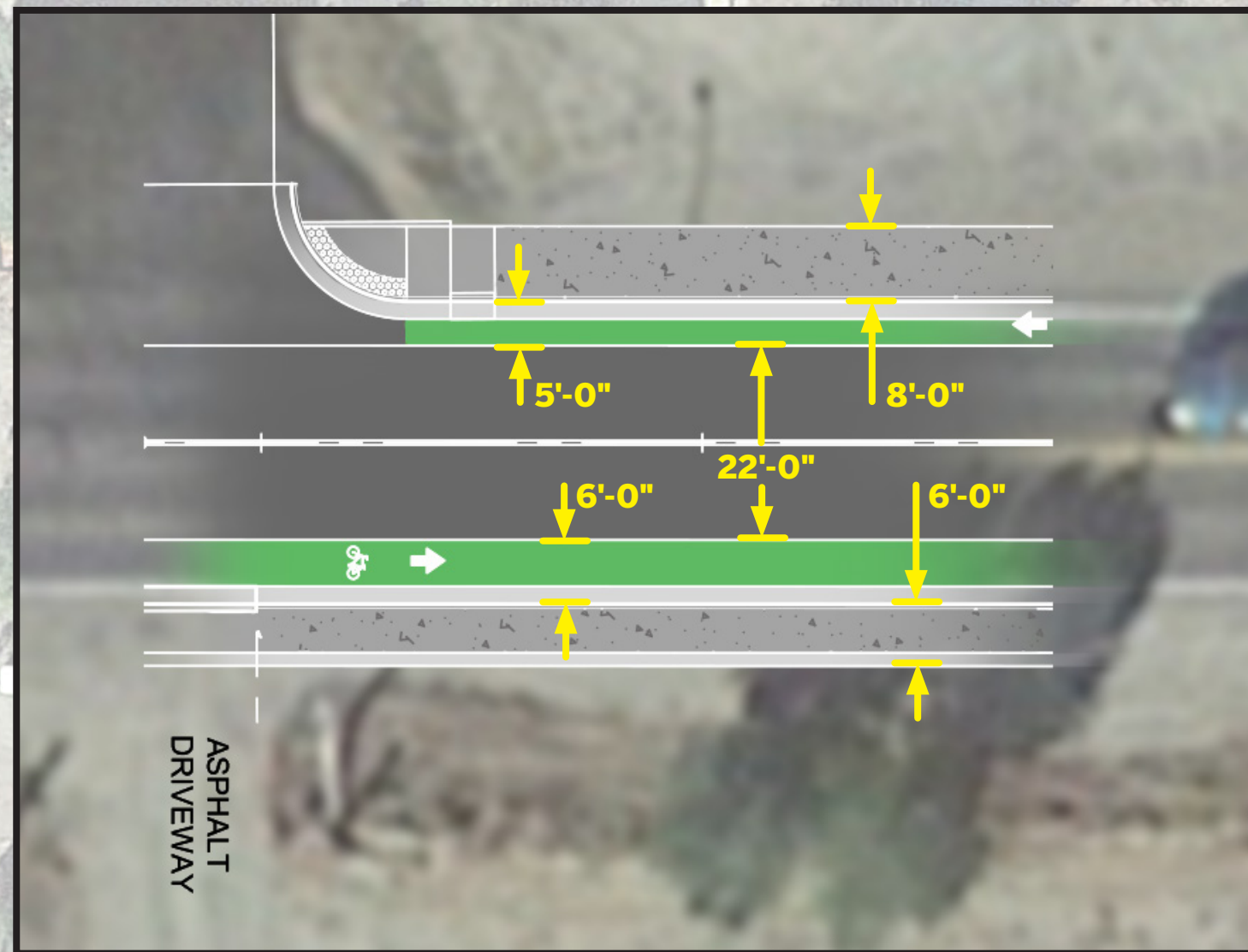
SUGGESTED MOTION

A Council person should make a motion to “combine and approve the items on the consent agenda.”

CITY OF SALIDA | Oak Street Improvements



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1 Existing asphalt driveways and parking areas will be sawcut for proposed widening, then replaced out to the limits of construction improvements.



2 Removal of certain areas of side-of-street parking will be a necessity for corridor improvements.

Reconstruct storm drain under Chilcott St

Maintain private access points

Proposed fire station, sidewalk on east side of Oak Street

Proposal multi-family project, sidewalk on east side of Oak Street



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