



REQUEST FOR COUNCIL ACTION

Title: 2021 Overlay Project Bid Posting

Preferred Agenda: March 23, 2021

Submitted By: Trish Rice, Engineering Tech 2
Greg Springman, Public Works Director

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution ____ Motion X Roll Call ____ Other ____

Relevant Code/Policy: n/a

Towards Council Goal: Goal 1.1c Develop specific steps for implementation of the adopted infrastructure master plans (streets)

Attachments: 2021 Overlay Project bid documents

Purpose of this RCA:

Staff requests authorization to solicit bids for the 2021 Overlay Project.

Background/Context:

The City budgeted \$280,000 this fiscal year for overlay projects. There is still \$242,327.94 available after the 29th Ave chip seal project last summer. There is also \$600,000 available in ODOT exchange funds (further described in another RCA), which requires an intergovernmental agreement prior to use. Staff tasked the Engineer of Record with preparing the bid package for an overlay project based on these funds. Civil West (subconsultant of West Yost) has delivered the attached bid package.

Bids in spring are generally lower than bids in summer, so staff desire to bid out the overlay project as soon as possible. However, we don't have an anticipated completion date for when ODOT would complete the IGA execution. Therefore, staff judged it better to split up the project by funding source instead of delaying the whole project to wait on ODOT's schedule. For the first phase we prioritized streets that are ready to pave without any ancillary work (such as underlying utility work, etc.) that we can pave quickly with budgeted local funds. The second phase will include streets with minor amounts of ancillary work, to be funded by the ODOT exchange funds after the IGA is complete.

We will pay more in mobilization fees doing it this way, but we expect to get lower unit pricing than if we waited to do the whole project later in the year.

The engineer's estimate for phase 1 is \$264,138.50. The bid package is deliberately composed of four schedules, A through D of varying prices, so that schedules can be trimmed if the bids come in over budget, but also to leverage possible lower prices if the bids come in lower than expected. We anticipate moving either Schedule D or C to Phase 2 to get it under the \$242,327 remaining budget.

Phase 1 Locations

Schedule	Location	Estimate
A	Kalmia St and 45th, 46th, 47th Aves	\$ 163,981.83
B	Harding St from Mountain View Rd to 27th Ave, and 23rd Ave	\$ 42,407.50
C	Juniper St from 32nd Ct to 35th Ave, and 32nd Ct	\$ 34,195.00
D	Grape Street and Grape Loop	\$ 23,554.16
Total Bid Estimate		\$ 264,138.50

The engineer's estimate for phase 2 is \$206,752.50 plus any schedules trimmed from phase 1.

Phase 2 Locations

Schedule	Location	Estimate
E	4th Ave North of Holley Rd	\$ 33,117.50
F	42nd Ave South of Long St	\$ 46,475.00
G	Locust St and 54th Ave	\$ 11,897.50
H	Larch St and Locust St off 49th	\$ 36,972.50
I	Poplar St and Osage St between 52nd between and 53rd Ave, and 52nd Ave	\$ 27,005.00
J	Vine St off of 18th	\$ 21,422.50
K	Poplar St west of 9th Ave	\$ 6,450.00
L	13th Ave and Osage St	\$ 17,037.50
M	Nandina St between 54th & 56th	\$ 6,375.00
Total Bid Estimate		\$ 206,752.50
plus any schedules not completed from phase 1		

The Challenge/Problem:

How do we make efficient use of limited funds to complete needed streets projects?

Stakeholders:

- Sweet Home Residents – Residents deserve well-maintained City infrastructure that meets their needs and improves their quality of life.
- Sweet Home City Council – The City Council has a goal to provide viable and sustainable infrastructure that serves development and improves residents' quality of life.
- Sweet Home City Staff – City Staff have an interest in completing projects that empower them to meet the Council's goals and which reduce staff time spent repairing poor quality streets.

Issues and Financial Impacts:

There is \$242,327.94 remaining in the current budget for overlays. The engineer's estimate for phase 1 is \$264,138.50. The bid package is deliberately composed of four schedules A through D of varying prices, so that schedules can be trimmed if the bids come in over budget, but also to leverage possible lower prices if the bids come in lower than expected. We anticipate moving either Schedule D or C to Phase 2.

There is \$600,000 available in ODOT exchange funds (further described in another RCA), which requires an intergovernmental agreement prior to use. The engineer's estimate for Phase 2 is \$206,752.50 plus any schedules trimmed from phase 1. These exchange funds were not budgeted in the current fiscal year so a budget amendment will be needed if Council opts to spend any of these funds before July.

Elements of a Stable Solution:

A stable solution will provide efficient completion of needed street maintenance and improvements.

Options:

1. Option 1 – Do Nothing. The project will remain in the CIP. The unspent overlay funds will go into the ending fund balance and be available for re-budgeting.
2. Option 2 – Post the solicitation as presented. Staff will post the solicitation. The results will be brought to Council for awarding the contract.
3. Option 3 – Post the solicitation with minor revisions. Staff will make minor changes to the plans or contract as directed by Council, then post the solicitation.
4. Option 4 – Make major revisions to the solicitation. Staff will make major changes to the plans or contract as directed by Council, then bring the bid package back to Council for approval prior to posting the solicitation. This will delay the project by at least few weeks.

Recommendation:

Staff recommends Option 2 – Post the solicitation as presented.