

## Council Meeting Staff Report

July 9, 2019

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| <b>Agenda No.:</b>              | B.  |
| <b>Indexes (Council Goals):</b> | * 2019 Council Goal - Investing in Infrastructure |
| <b>Presenters:</b>              | Jon Bulthuis                                      |
| <b>Legislative File:</b>        | AGR0634-19  |

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### Title

Award of Bid No. 19-048 to Star Paving Company for Construction of the Diamond Drive Pavement Rehabilitation Project, Establish a Project Budget, and Approve Related Budget Revision 2020-03.

### Recommended Action

Motion Option 1 - Base Bid and Bid Alternate 1:

**I move that Council award Bid No. 19-048 for the Base Bid and Bid Alternate 1 in the Amount of \$3,771,010.30 plus Applicable Gross Receipts Tax to Star Paving Company for Construction of the Diamond Drive Pavement Rehabilitation Project; Establish a Project Budget in the Amount of \$4,475,000 for Roadway Improvements; and Approve Related Budget Revision 2020-03 in the Amount of \$725,000.**

### County Manager's Recommendation

The County Manager recommends that Council approve Motion Option 1 as presented.

### Body

On June 2, 2019, the County advertised a formal competitive solicitation for project construction through Invitation for Bid No. 19-048. One response was received on June 19, 2019. The evaluation committee is recommending award to Star Paving Company, the lowest responsive bidder.

The project consists of pavement rehabilitation and one minor reconstruction location, along Diamond Drive from the Omega Bridge through the San Ildefonso roundabout. Road improvements include mill and inlay with new asphalt surfacing and an isolated reconstruction location on Southbound Diamond. In addition to the base bid, two additive bid alternates were also included. The base bid provides for a 1.5 inch mill and overlay depth with an estimated 10-year design life. Bid alternate 1 provides an additional 1/2 inch depth for an estimated 11-year design life while Bid Alternate 2 provides an additional 1 inch depth for an estimated 12-year design life. The base bid and bid alternates are summarized as follows:

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| Base Bid:        | 1.5" total mill & overlay, \$3,296,910.30 (excluding tax)                     |
| Bid Alternate 1: | ½ inch additional depth--2" total mill & overlay, \$474,100 (excluding tax)   |
| Bid Alternate 2: | 1 inch additional depth--2.5" total mill & overlay, \$948,200 (excluding tax) |

All pavement depths are pursuant to the pavement design provided by the County's geotechnical engineering consultant Wood Environmental & Infrastructure Solutions, Inc. Considering the costs and available budget for the project as well as the width of Diamond Drive, a 2 inch depth will provide for a quality product. Therefore, staff recommends award of the Base Bid plus Bid Alternate 1 and is reflected in the recommended motion and budget revision.

Diamond Drive requires pavement rehabilitation due to excessive damage caused by past winter snow storms and extreme freeze thaw cycles to the top layer of asphalt, known as Open Graded Friction Course (OGFC). The proposed asphalt improvements will significantly improve the condition of surface by removing a section of the asphalt surface and replacing it with traditional asphalt mix to

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extend the life of Diamond Drive pavement structure by approximately a decade.

Upon Council approval, the Notice of Award will be sent to the contractor on July 10, 2019 and work may begin on or around July 22, 2019. This contract includes Milestones, substantial and final completion dates with liquidated damages for late completion. All work associated with this contract must be completed by September 27, 2019.

Several traffic restrictions are incorporated in the contract to provide for minimal traffic disruptions during weekday peak hour traffic, more specifically, during the early morning and late afternoon commutes. The contractor will be required to complete the portion of Diamond Dr. between the Omega Bridge and the Sandia Dr./Orange St. intersection before Los Alamos Public Schools return to session on August 15<sup>th</sup>. Coordination of work through the signalized Intersections will be done to alleviate traffic disruptions as much as possible, particularly at West Road which serves as the hospital's emergency access entrance. Coordination for Los Alamos County events are also considered in the restrictions, those include the Los Alamos Triathlon, Horse show, and County Fair and Rodeo.

Upon receipt of a schedule from the contractor and subsequent approval by the County, the schedule and traffic impacts will be shared with the public through weekly construction updates to the general media and posted on the project website. Staff will also work closely with the contractor and area residents regarding changes and maintenance of traffic access.

The closest county land that could be used for a staging area is at 245 North Mesa Road. The contractor has the option of entering into a Land Use Agreement with the County or independently coordinating an alternative staging area.

Council should note that on April 22, 2019, Governor Lujan Grisham signed Executive Order 19-008 declaring a state of emergency due to the effects of the December 2018 and January 2019 winter storm. As a result, emergency financial resources were made available through the New Mexico Department of Homeland Security and Emergency Management (DHSEM) for which costs to repair Diamond Drive are eligible for reimbursement by the state. DSHEM has verbally stated their participation in the base bid costs for the 1.5 inch mill and overlay effort.

#### **Alternatives**

Council could choose to award the base bid only (Motion Option 2) which would require a lesser budget revision, or the base bid with bid alternate 2 (Motion Option 3), which requires additional funds and reduces the available contingency. Council could also choose to not approve the agreement and postpone or cancel the project with the consequence that the existing street infrastructure will continue to deteriorate.

As written, the recommended option 1 will be approved if the Council approves the consent agenda as presented. Council could alternately ask that the item be pulled from the consent agenda and an alternate motion be considered. Two potential alternate motions are suggested as follows:

Motion Option 2 - Base Bid Only:

**I move that Council award Bid No. 19-048 for the Base Bid in the Amount of \$3,296,910.30 plus Applicable Gross Receipts Tax to Star Paving Company for Construction of the Diamond Drive Pavement Rehabilitation Project; Establish a Project Budget in the Amount of \$3,920,000 for Roadway Improvements; and Approve Related Budget Revision 2020-03 in the Amount of \$170,000.**

Motion Option 3 - Base Bid and Bid Alternate 2:

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**I move that Council award Bid No. 19-048 for the Base Bid and Bid Alternate 2 in the Amount of \$4,245,110.30 plus Applicable Gross Receipts Tax to Star Paving Company for Construction of the Diamond Drive Pavement Rehabilitation Project and Establish a Project Budget in the Amount of \$4,807,000 for Roadway Improvements; and Approve Related Budget Revision 2020-03 in the Amount of \$1,057,000.**

Executive Order 19-008 established state emergency funding for the project. Funds are distributed through reimbursement and managed by the New Mexico Department of Homeland Security and Emergency Management. Funds provided through this emergency declaration may be jeopardized if the work under this agreement is not completed.

**Fiscal and Staff Impact/Planned Item**

As part of FY2020 Budget approved by Council, \$3,750,000 is available for the project through the County's Capital Improvement Program (CIP). The County anticipates a forthcoming agreement with DHSEM for emergency funds that will require a 25% local cost share for the project base bid. The state funds available will substantially reimburse the County for project related expenses to repair Diamond Drive.

A Budget Revision comprised of \$725,000 (Motion Option 1) through a savings/remaining balance from the North Mesa Phase 2 Project would supplement the current project budget which includes contingency for unanticipated changes or field conditions.

The requested budget for the project is \$4,475,000 (Motion Option 1). See Project Budget Spreadsheet (Attachment A) and Budget Revision Form (Attachment B) for additional details.

**Attachments**

A - Project Budget Spreadsheet

B - Budget Revision 2020-03