



Legislation Text

File #: 18-071, Version: 1

TO: Mayor and Members of City Council

THRU: Kristoff Bauer, Deputy City Manager

FROM: Rob Stone, PE, Public Services Director
Tracey Broyles, Budget and Evaluation Director

DATE: February 26, 2018

RE:
Adoption of Budget Ordinance Amendment 2018-18 and Capital Project Ordinance Amendment 2018-45 to Provide Additional Funding for the Ann Street Bridge Replacement and Award of the Project Construction Contract

COUNCIL DISTRICT(S):
Districts 2

Relationship To Strategic Plan:
Goal III: High Quality Built Environment

Executive Summary:

Capital Project Ordinance Amendment (CPOA) 2018-45 will appropriate a total of \$643,140 additional funds needed for the replacement of the Ann Street Bridge. The additional funds are needed to proceed with a construction bid award, provide for construction administration services and to provide funding for unforeseen contingencies in the field.

Budget Ordinance Amendment (BOA) 2018-18 will appropriate \$293,140 from General Fund fund balance to be used along with \$350,000 currently available within the Fiscal Year 2018 General Fund budget to provide the needed funds for the project.

Council is also asked to award the construction contract for the Ann Street Bridge Replacement project to Fred Smith Company, of Raleigh, NC as the lowest responsive, responsible bidder with a total bid of \$1,629,900.00.

Background:

A capital project to replace the Ann Street and Louise Street Bridges has had preliminary funding appropriated since February 9, 2015. The Ann Street Bridge requires replacement due to its age and structural damaged sustained during a fire. Similarly, the Louise Street Bridge was becoming

structurally deficient due to age and the condition was exacerbated by recent flooding.

In June, 2017, with the adoption of the Fiscal Year 2018 Annual Operating Budget, additional funds were appropriated to the project bringing the total project appropriation to \$1,300,000 to provide funding through the construction phase for the Ann Street Bridge and for the design phase of the Louise Street Bridge. It was also planned with the adopted Capital Improvement Plan (CIP) to appropriate \$800,000 for the construction of the Louise Street Bridge in Fiscal Year 2019. The total estimate cost for the replacement of the two bridges was \$2,100,000.

During the current fiscal year, staff has proceeded with the design and bid process for the Ann Street Bridge and costs have risen significantly for project. During the update of the CIP, staff projected that the total cost to replace both bridges would be \$4,345,000 through fiscal year 2019. Now that construction bids have been received, the updated projection of costs for both bridge replacements is \$5,293,140 as follows:

	Ann Street Bridge	Louise Street Bridge	Combined Total
Land	\$ 23,000	\$ 100,000	\$ 123,000
Design/Engineering	221,232	250,000	471,232
Construction	1,629,900	2,250,000	3,879,900
Less: Utility Costs (PWC)	(419,962)	0	(419,962)
Construction Admin (15%)	244,485	375,000	619,485
Contingency (15%)	244,485	375,000	619,485
Total	\$ 1,943,140	\$ 3,350,000	\$ 5,293,140

Bids for the construction of the Ann Street Bridge were received on February, 2018 as follows:

<u>Bidders</u>	<u>Total Cost</u>
Fred Smith Company, Raleigh, NC	\$1,629,900.00
The Tara Group of Lumberton, Inc., Lumberton, NC	\$1,631,802.50
T.A. Loving, Goldsboro, NC	\$2,184,844.00
Dane Construction, Inc., Mooresville, NC	\$2,408,496.40

The recommended lowest responsive, responsible bidder is Fred Smith Company, of Raleigh, NC, in the total amount of \$1,629,900.00.

The project scope includes utility work for which actual costs will be reimbursed by PWC as the contractor completes the work and invoices the City. The Fred Smith Company bid includes estimated utility costs totaling \$419,962.49.

The additional \$643,140 will allow for the award of the \$1,629,900 contract, including the City's share of \$1,209,938, and provide approximately \$488,970.00 for construction administration/inspection services and for unforeseen contingencies in the field.

Issues/Analysis:

Bids were received from four contractors as outlined above with no local participation. The lowest bidder, Fred Smith Company, is recommended. Without the additional funding the contract cannot be awarded, and the project cannot be completed.

Budget Impact:

The update of the Capital Funding Plan for the recommended FY2019 Capital Improvement Plan included \$3,045,000 of additional funding for the replacement of the Ann and Louise Street Bridges. Based upon the bid amounts for the Ann Street Bridge and updated estimates for the Louise Street Bridge, additional funding sources will need to be identified to provide \$948,140 additional for the Louise Street Bridge.

Staff will be reviewing other projects proposed to be funded in the recommended Capital Improvement Plan to identify reductions or deferrals necessary to provide additional funding for this critical project. This will be a topic of discussion for the February 21st CIP meeting.

Options:

1. Adopt BOA 2018-18 and CPOA 2018-45, and award the construction contract to Fred Smith Company, of Raleigh, NC, as the lowest, responsive, responsible bidder in the amount of \$1,629,900.00.
2. Do not adopt BOA 2018-18 or CPOA 2018-45, or approve the bid award and provide additional direction to staff.

Recommended Action:

Staff recommends that Council move to adopt Budget Ordinance Amendment 2018-18 and Capital Project Ordinance Amendment 2018-45 as presented, and approve the award of the construction contract for the Ann Street Bridge Replacement project to Fred Smith Company, of Raleigh, NC as the lowest responsive, responsible bidder with a total bid of \$ 1,629,900.00.

Attachments:

- Bid Tabulation
- Budget Ordinance Amendment 2018-18
- Capital Project Ordinance Amendment 2018-45