

## MEMORANDUM

**TO:** Claire Powell, City Manager

**FROM:** David Salmon, P.E., City Engineer

**VIA:** James Proce, Assistant City Manager

**DATE:** September 11, 2023

**SUBJECT:** **Approval of a Bid Award for the Indian Oaks Subdivision Project to Axis Contracting, Inc. in the Amount of \$9,120,361.95 and Authorization for the City Manager, or Her Designee, to Execute the Agreement.**

### BACKGROUND

Bids were received on June 22, 2023, for construction of the Indian Oaks Subdivision Rehabilitation Project. The project scope includes concrete paving, drainage, water and sanitary sewer improvements for 9 neighborhood streets within the Indian Oaks subdivision bounded by S Valley Parkway to the east, including Babbling Brook Drive on the north and Buffalo Bend Road on the west and south. The major work on the above project consists of replacing existing asphalt pavement roadways with new 24-foot-wide concrete streets (without curb) and improved side ditches and driveway culverts. New water and sewer lines will be installed under the newly paved roadways next to the existing lines to minimize any disruption in services. There are no plans to install sidewalks, curb, gutter, or additional storm drain in this area.

The subject section of Indian Oaks was developed in the late 1980's without curb & gutter, underground drainage, or sidewalks. The drainage easements outside of the street right of way are privately owned and not maintained by the City. When the City's consultant began initial surveying for the project design, the Engineering Department received numerous calls about the project from residents fearful that the City was planning to add sidewalks in front of their homes. A formal resident meeting was also held during the design process to gather design input and again, the predominant sentiment at that time was for no sidewalks. A few residents indicated a preference for sidewalks. Staff has explained to some of the residents that want sidewalks, that the existing street right of way is not wide enough to include sidewalks given the roadside drainage ditches and additional right of way or easements would be needed on almost every lot to accommodate sidewalks. Another resident meeting will be held in late September 2023 to introduce the contractor and project inspector to the residents as well as receive additional resident input concerning construction related issues and discuss what can be expected during construction.

### ANALYSIS

It is requested that this item be presented to the City Council with a recommendation to award to Axis Contracting, Inc. Their base bid is \$8,686,059.00, plus five percent (5%) contingencies in the amount of \$434,302.95, for a total amount of \$9,120,361.95. The design consultant's estimate for the project improvements was \$10,552,279.54 including \$959,298.14 for contingencies. Staff has verified Axis Contracting, Inc. references, and they have successfully completed smaller, but

similar projects for other municipalities. The Town of Highland Park indicated their work quality was good, resident concerns were promptly addressed, the contractor and crew had good communication skills and there were minimal change orders. They did have to push them to complete the work on time, which they ultimately did. The City of Richardson and City of McKinney have used Axis Construction on multiple projects and have both indicated similar experiences.

The lowest qualified bidder procurement method was used for this project as all the contract line items are standard and self-explanatory. Competitive sealed proposals are typically reserved for projects that require a degree of specialization and a need for the successful contractor to have experience and knowledge in that specialization. Examples of projects where a competitive sealed proposal process would be used are the Windhaven @ KCS Railroad project which included a railroad bridge or the upcoming Corporate Drive project which includes a half-mile long bridge over the Trinity River Floodplain.

Funding is available in the Indian Oaks Capital Project (G2106). The contract time is 550 calendar days and liquidated damages are \$500 per day. The anticipated start date for construction is October 1st.

#### **CITY STAFF'S RECOMMENDATION**

That the City Council approve the bid award and authorize the City Manager or, her designee, to execute the agreement as set forth in the caption above.