

City Council – Action Request Form

Date: January 16, 2018

To: The City Manager

From: Gregory M. Turner, Assistant City Manager
Toneq' McCullough, Director of Transportation
Jerry Bates, Purchasing Director

Council Action Requested:

Consideration of Items Related to Old Salem Infrastructure Improvement Project. (South Ward)

- A. Adoption of Resolution Awarding Construction Contract for Old Salem Infrastructure Improvements.
- B. Project Budget Ordinance Amendment to Appropriate Funds for Project Expenditures.

Strategic Focus Area: Livable Neighborhoods

Strategic Objective: Improve Character and Condition of Neighborhoods

Strategic Plan Action Item: No

Key Work Item: Yes



Summary of Information:

The Old Salem Infrastructure Bond Project scope was developed to address sidewalk safety, street tree health and longevity, and street lighting concerns. Two additional types of work were incorporated into the project through the design process based on the need for resurfacing. A condition assessment of water and sewer lines and stormwater was performed. The infrastructure was found to be in poor condition. Because funding for stormwater and utility infrastructure will come from non-bond funds, the bidding of the project was split into three sections based on the type of work as follows: Section One - sidewalk, lighting and street tree infrastructure; Section Two - stormwater infrastructure; and Section Three - water and sewer infrastructure.

Bids were scheduled to be received on October 20, 2017, but less than three bids were offered as required by North Carolina General Statute (N.C.G.S.) 143-132(a). Therefore, as authorized by N.C.G.S. 143-129, the project was re-advertised. Bids were then received October 28, 2017 with the summary of bids as follows:

Committee Action:

Committee

Action

For

Against

Remarks:

	<u>City/State</u>	<u>Total Bid</u>
Ramey, Inc.	Bethania, NC	\$10,482,237.50
Sealand Construction Corp., Inc.	Charlotte, NC	10,722,207.93

The engineer's estimate was \$8,431,850.42. A breakdown of the \$10,482,237.50 low bid by Ramey, Inc., is as follows:

<u>Section One</u>	<u>Section Two</u>	<u>Section Three</u>
\$3,011,794.50	\$4,511,840.00	\$2,958,603.00

The 2014 GO Transportation Bond fund contains \$800,000 for Old Salem Infrastructure - Section One only. On December 18, 2017, City Council approved an additional \$2,000,000 for Section One - sidewalk, lighting and street tree infrastructure. Section One and Section Two work is currently being value engineered to meet the budgeted funds and to include additional line items for milling, asphalt overlay and structure adjustments. Section One will be paid for from bond and resurfacing funds. Section Two will be paid for from the stormwater fund. On December 11, 2017, the Utility Commission approved \$2,958,603 for the Section Three water and sewer improvements. An Amendment to the Project Budget Ordinance is attached which appropriates additional funds to supplement the funds currently available in the project budget to complete this project. The adjusted breakdown for each section is:

<u>Section One</u>	<u>Section Two</u>	<u>Section Three</u>
\$3,150,200.00	\$4,878,940.00	\$2,958,603.00

The low bidder, Ramey, Inc., agreed to the subcontracting goals established for this project; therefore, it is recommended that a contract be awarded to Ramey, Inc., the low bidder meeting specifications, in the not-to-exceed total amount of \$10,987,743.

M/WBE comment: This project was advertised on the City's website and with several electronic plan rooms. Notifications were sent to all local M/WBE and regional HUB and DBE businesses. See Exhibit A for a complete list of businesses that requested the bidding document.

Workplace Demographics: See Exhibit B.