

**Recommendation to Award Contract for Construction Services for the East 104<sup>th</sup> Avenue Improvements, Phase 3B Project, Project No. 9062-11**

Contractor: Zak Dirt, Inc.

Contract Amount: \$18,728,270.72

Project Description:

This project will reconstruct 104<sup>th</sup> Avenue, (also known as State Highway 44), from US Highway 85 to Lima Street, 1.15 miles. 104<sup>th</sup> Avenue will be widened from its current two lanes to 4 lanes with a raised, colored concrete median. The road will be paved in concrete. The existing Union Pacific Railroad crossing will be reconstructed which will allow for the crossing to become a quiet zone upon completion of the project. Curb & gutter will be installed along the length of the project as well as a 6-foot wide sidewalk on the south side and a 12-foot wide concrete trail on the north side of the road. A new bridge over I-76 will be constructed which will become the new eastbound lanes while the existing bridge will serve as the new westbound lanes. Bridge enhancements such as aesthetic treatments and landscaping had to be removed from the project due to costs. A new bridge will be constructed for the O'Brian Canal which will also serve as a pedestrian underpass. A box culvert will be installed to allow for continued flow of the Burlington Ditch. Through an agreement with South Adams County Water and Sanitation District, the City will be installing various sanitary sewer lines, potable and non-potable water lines at their cost, (approximately \$3.2M). New street lights, matching those along 104<sup>th</sup> Avenue to the east, will be installed along the length of the project. No new traffic signals will be installed but the existing emergency signal at Florence Street will be replaced.

Bidding Process:

- Plans and specifications for this work were prepared by JR Engineering on behalf of the city
- A mandatory pre-bid meeting was held on November 13, 2013
- Bids were solicited through a formal bidding process which was advertised in the Daily Journal on November 6 and November 13, 2013
- Bids were opened at 2:00 p.m. on November 25, 2013
- The City received four bids for the project
- The Engineer's Estimate was \$15,423,217.30 and the low bid received was \$19,587,607.84, \$4,164,390.54 or 27% over estimated costs

<b>Contractor</b>	<b>Bid Price</b>	<b>Amount/% over EE</b>
Engineer's Estimate	\$15,423,217.30	-
Hudick Excavating, Inc.	\$22,060,302.10	\$6,637,085 / 43%
Jalisco International, Inc.	\$20,037,963.00	\$4,614,746 / 30%
SEMA Construction	\$19,712,696.00	\$4,289,479 / 28%
Zak Dirt, Inc.	\$19,587,607.84	\$4,164,391 / 27%

Three of the four bids were within \$450,000 of each other or a spread of 2.2%. This would indicate that the bids are good but, discrepancies in certain items warranted further investigation. Therefore, staff contracted with Atkins, an engineering consulting firm, to evaluate the plans, specifications and bids to determine if the bids are in line with current CDOT prices and if re-bidding of the project would result in better prices. Atkins concluded that most of the unit prices were in line with current CDOT prices and that minimal (less than 5%) savings could be realized by re-bidding the project. Staff has negotiated with the low bidder, Zak Dirt, on

various items and value engineered some items to reflect a revised contract amount of \$18,728,270.72, which is approximately 4.4% less than their original bid.

Schedule:

A Notice to Proceed is anticipated to be issued on or about April 7, 2014. All work is scheduled to be completed by late-January 2016.

Staff has been working with adjacent property owners to finalize right-of-way and temporary easements needed for construction. Modifications to the plans, to accommodate development needs, can be accomplished via change order during the project.

During construction, it will be necessary to detour traffic at certain times. Traffic on I-76 will also need to be detoured over a short period of time, (likely a weekend), to install the girders for the new bridge over I-76. Staff and the contractor will work closely with CDOT and the City's Communications staff on this detour.

Financial Impact:

The project budget is \$41,466,721 and includes adequate funding to cover this contract.

Staff Recommendation:

Staff recommends accepting all bids and awarding a contract to Zak Dirt, Inc. in the amount of \$18,728,270.72 for this work.