



## STAFF REPORT

**DATE:** February 20, 2018

**TO:** Ronald L. Olson, City Manager

**FROM:** David Olson, Executive Director of Public Works

**SUBJECT:** Authorize the Award of a Construction Contract to James Construction Group, LLC for the Rosewood Drive Extension and Heritage Oaks Hike and Bike Trail Segments 3 and 4 Project.

### **BACKGROUND AND FINDINGS:**

The Rosewood Drive Extension and Heritage Oaks Hike and Bike Trail Segments 3 and 4 include the construction of Rosewood Drive from its current terminus to Chaparral Road, the construction of a hike and bike trail from Chaparral Road along Rosewood Drive to Purser Park in Harker Heights, and the construction of a hike and bike trail from the point where Rosewood Drive crosses Trimmier Creek along Trimmier Creek to its intersection with Platinum Drive. The funding available for this project is a combination of Federal Highways Administration, Statewide Transportation Alternatives Program, and local match dollars. Engineering Design for this project was completed in December 2017. On November 20, 2017, the City Manager authorized the bid advertisement of the Rosewood Drive Extension and Heritage Oaks Hike and Bike Trail Segments 3 and 4 (HOHBT) project. On Wednesday, January 31, 2018, bids were opened and read aloud for the construction of the Rosewood Drive Extension project. There were four responsible and responsive bidders for the project as follows:

Bidders	Bid
James Construction Group, LLC	\$7,826,151.27
TTG Utilities, LP	\$8,135,194.15
Oldcastle Materials Texas	\$8,952,093.15
Lonestar Grading and Materials, LLC	\$10,358,171.57

### **THE ALTERNATIVES CONSIDERED:**

1. Award a contract to the lowest responsive and responsible bidder, James Construction Group, LLC, to construct the Rosewood Drive Extension and HOHBT project.
2. Reject the bids to construct the Rosewood Drive Extension and HOHBT project. This alternative would halt the project and reject federal funding.

### **Which alternative is recommended? Why?**

1. Staff recommends Alternative 1 above to complete the connector roadway included in the adopted Thoroughfare Plan. The bid price is within budget and reasonable when compared to average construction costs.

**CONFORMITY TO CITY POLICY:**

Authorizing a construction contract with James Construction Group, LLC for the construction of the Rosewood Drive Extension Project conforms to all state and city purchasing policies

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

The total contract for this project is \$7,826,151.27. The current fiscal year estimate is \$5,354,948 in FY 2018. The remaining contract amount is to be budgeted and spent in FY 2019. Upon completion of the project, the City should begin budgeting for the maintenance and upkeep of this area including but not limited to mowing, street maintenance, sidewalk maintenance, and electricity services. The expected increase in O&M is \$160,000 per fiscal year.

**Is this expenditure budgeted? If not, where will the money come from?**

This expenditure is budgeted.

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes, funding is available in the FY 2018 budget in the Governmental CIP Fund (349-3435-432.66-02), and in the 2014 GO Bond, Heritage Park account (348-3490-800.58-80).

**RECOMMENDATION:**

City staff recommends that the City Council authorize the City Manager to enter into an agreement with James Construction Group, LLC for the construction of the Rosewood Drive Extension and Heritage Oaks Hike and Bike Trail Segments 3 and 4 Project in the amount of \$7,826,151.27, and that the City Manager is expressly authorized to execute any and all changes within the amounts set by state and local law.

**DEPARTMENTAL CLEARANCES:**

Public Works  
Finance  
City Attorney

**ATTACHED SUPPORTING DOCUMENTS:**

Letter of Recommendation & Bid Tab  
Bid Proposal  
Certificate of Interested Parties