



STAFF REPORT

DATE: November 9, 2021

TO: Kent Cagle, City Manager

FROM: Leslie Hinkle, Community Development Executive Director

SUBJECT: Contract Award Bid #22-04 Head Start Expansion-Avenue C Project

BACKGROUND AND FINDINGS:

During the FY 2019-20 Community Development allocation process, Central Texas 4C, Inc. (Head Start) was allocated \$100,000.00 of Community Development Block Grant (CDBG) (Ord. 19-037) funds to be used for construction associated with the Head Start Expansion located at 500 W. Avenue C. The CDBG funded portion of the project included construction associated with Phase II (site improvements) for the project. At the onset of the COVID-19 pandemic, The U.S. Department of Health and Human Services, Administration for Children & Families - Office of Head Start released additional funding for various projects across the U.S. to include this project. Central Texas 4C, Inc. expanded the project scope to include 8, instead of the 5 classrooms identified in the original project proposal, a computer lab and meeting space for parent meetings and staff training. The reconfigured building and project site will have two classrooms for each age group - Pre-K for children ages 3 to 5-years old, Infants, Wobblers, and Toddlers; 8 total classrooms. With this change in project funding the CDBG funds were needed to complete the parking lot, associated site drainage, dumpster enclosure, ramps and sidewalks. Staff reviewed and concluded the change in construction elements associated with the Public Facility Improvement did not meet requirements of a substantial program amendment per the Citizen Participation Plan. Impacts from the Coronavirus as well as re-scoping the required civil engineering delayed the project until September 2021 when the project was advertised for bid. Any remaining construction elements will be covered specifically with Office of Head Start OHS (OHS) funding in a separate bid process that will be administered by Central Texas 4C, Inc. The element of construction for the CDBG funds and added OHS funding is specifically for: subgrade preparation, base course, curb & gutter, wheel stops, delineation posts, dumpster enclosure, drainage flumes, ramps and sidewalks.

The project was advertised in the Killeen Daily Herald, Negometrix, Demand Star/City Bids page, and State Business Daily on September 26 and 20, 2021. Bidders were to bid on the Base Bid - Parking Lot - Paved Surface-Concrete; Add Item 2 - Pedestrian - Sidewalk, Ramps; Add Item 3 - Ground Cover - Top Soil, Final Vegetative Stabilization (seed or sod), Landscaping, Irrigation, Stone Rip Rap; Add Item 4 - Playground - Play surface, Perimeter Fencing.

A pre-bid meeting was held at the project site on Tuesday, October 5, 2021 with four (4) bidders attending. One Addenda was issued, and bids were due by 12:00 p.m. October 15, 2021. The bid opening was held at 12:15 p.m. via Zoom meeting platform; there were six (6) attendees consisting of City Staff from Purchasing and Community Development, the project Engineer and Executive Director from Central Texas 4C, Inc.

One (1) bid was submitted for this project by ASJ Construction, LLC of Lampasas, Texas as follows:

CDBG funding will pay for \$99,620.50 (CDBG-\$100,000 minus \$379.50 in bid advertising). Central Texas 4C, Inc. has accepted the Base Bid and Add Item 2 for the total amount of \$262,430.00 along with the responsibility to pay costs of \$162,809.50.

THE ALTERNATIVES CONSIDERED:

- 1) Alternatives were to reject the entire bid submitted
- 2) Accept base bid and add item #2.

Which alternative is recommended? Why?

Alternative 2) Acceptance of base bid and add item #2, is recommended to allow for completion of concrete paving, curb & gutter, necessary drainage, sidewalks, and public access ramps relative to public access to the building.

CONFORMITY TO CITY POLICY:

This process conforms to City Procurement Policy and Federal Procurement Standards associated with U.S. Department of Housing and Urban Development Community Development Block Grant (CDBG) funding.

FINANCIAL IMPACT:

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

The fiscal impact is limited to the available amount of CDBG funding from FY2020 (CDBG Program Year 2019-2020) and will be expensed during Fiscal Year 2022. No future financial impact.

Is this a one-time or recurring expenditure?

This will be a one-time expense.

Is this expenditure budgeted?

This expenditure is budgeted in account 228 3250 426 5086 under Project Code 20C 008 with remaining balance of \$99,620.50.

If not, where will the money come from?

Additional funds required will be provided by Central Texas 4C, Inc.

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

No. This total expenditure will require \$162,809.50 provided by Central Texas 4C, Inc. Each project payment will be paid proportionately to the total amount of funding invested, e.g., 38% CDBG / 62% Central Texas 4C, Inc. until all funds are expended on project completion.

RECOMMENDATION:

Award Bid #22-04 to ASJ Construction, LLC of Lampasas, Texas in the amount of \$262,430.00 for the Head Start Expansion-Avenue C project with \$99,620.50 of FY19-2020 CDBG funds and \$162,809.50 of Central Texas 4C, Inc. funding with payments made to the contractor proportionately to the amount of funding invested.

DEPARTMENTAL CLEARANCES:

Purchasing, Finance, Legal

ATTACHED SUPPORTING DOCUMENTS:

Bid Tab
Letter of Obligation
Contract
Certificate of Interested Parties