

Legislation Text

File #: BILL NO. 22-190, **Version:** 1

An Ordinance awarding the bid for Project No. 814 for the Crack Seal FY23 Program to Vance Brothers, Inc. in the amount of \$258,300.00 and authorizing the City Manager to execute an agreement for the same.
(Note: First read by Council on September 13, 2022. Passed by unanimous vote.)

Issue/Request:

An Ordinance awarding the bid for Project No. 814 for the Crack Seal FY23 Program to Vance Brothers, Inc. in the amount of \$258,300.00, and authorizing the City Manager to execute an agreement for the same.

Key Issues:

- The annual Crack Seal Program extends the life expectancy of pavement surfaces by reducing the frequency and severity of potholes and other pavement failures.
- The Crack Seal FY23 Program will seal cracks along approximately 39 lane miles of road (hereinafter "Project No. 814").
- Project No. 814 is funded from the Transportation Sales Tax Fund as part of the FY23 Capital Improvement Plan adopted by City Council.
- Public Works Engineering issued an advertisement for bids for the construction of Project No. 814 on August 4, 2022, in accordance with local policies and state statutes.
- Vance Brothers, Inc. (hereinafter "Contractor") was determined to be the lowest and best bidder by City staff.
- The City desires to enter into an agreement with the Contractor to construct Project No. 814.

Proposed Committee Motion:

I move to recommend to City Council approval of an Ordinance awarding the bid for Project No. 814 for the Crack Seal FY23 Program to Vance Brothers, Inc. in the amount of \$258,300.00, and authorizing the City Manager to execute an agreement for the same.

Proposed City Council Motion:

I move for adoption of an Ordinance awarding the bid for Project No. 814 for the Crack Seal FY23 Program to Vance Brothers, Inc. in the amount of \$258,300.00 and authorizing the City Manager to execute an agreement for the same.

Background:

The Crack Seal Program is a pavement preservation process performed annually to protect the integrity of street pavements, thus extending the life expectancy of the pavement surfaces. This practice is similar to caulking seams on a house to prevent water infiltration. Crack sealing keeps water from further damaging the roadways and helps limit future pot holes and pavement failures.

To achieve the greatest benefit, crack seal must be placed on sound pavement. Crack sealing has been observed to significantly reduce the frequency and severity of potholes forming in pavements that have sound base and sub-grade. The timely application of crack sealant has helped control the cost per mile of pavement for pothole repairs in the Public Works Operations budget.

Crack Sealing is a specialized construction process with a limited number of contractors performing this service on a large scale. The limited number of contractors sometimes result in contractors traveling across the nation to perform work.

Crack seal is an oil-based product, so pricing can vary significantly from year to year as the price of oil fluctuates. This year, the oil price inflation was compounded by transportation restrictions, supply chain issues, and the labor market. The MoDOT oil price index for the state of Missouri is up 56.6% from last year. The increase in oil pricing has resulted in a 23.7% cost increase for this project over last year's project. Manufacturers have very limited quantities of crack seal material on hand. Trucking is costs are up 50% from last year, and labor is up 7%.

Currently, the City maintains 1,066 lane miles of pavement. This year, 103.4 lane miles, or about 9.7%, of the City's streets will be treated as part of the pavement maintenance programs, this number is down from 12.4% last year. This summer's overlay program will spend \$3.7M to resurface 29.2 lane miles, the surface seal program will spend \$1.05M to seal-coat about 35.2 lane miles, and this \$258,300.00 contract will crack seal about 39 lane miles.

Seal coating and crack sealing combined will treat more than two times the amount of pavement that can will be overlaid this year, for less than 50% of the cost of the overlay. Using these lower cost surface treatments can greatly expand the scope of annual maintenance programs and extend the life of pavements between re-surfacing with an asphalt overlay. These three techniques, although they only address surface issues, have extended many of the City's streets well beyond their expected 20-year design life. The pavement maintenance programs spend about \$4M to \$6M per year to maintain local roads to avoid re-constructing pavements at the end of their design life. Generally, studies show re-constructing pavement costs about ten times the cost of maintenance. So, re-constructing the same amount of pavement maintained annually by the pavement maintenance program would cost the City about \$40M to \$60M per year.

Impact/Analysis:

Not approving this bid will have a negative impact on the pavement maintenance programs. Re-bidding will likely lead to even higher prices, if the materials are available.

Timeline:

Other Information/Unique Characteristics:

Public Works Engineering advertised for bids for Project No. 814 on August 4, 2022. Potential bidders were notified through QuestCDN and on the City website. One responsive bid was received by the August 25, 2011 bid opening date. The bid was below the Engineer's Estimate. The bids were evaluated, and City staff determined Vance Brothers, Inc. to be the lowest and best bidder. The City has had good experiences with this contractor on previous projects.

Vince Schmoeger, Project Manager

Staff recommends approval.

Committee Recommendation: