

Legislation Text

File #: BILL NO. 23-081, **Version:** 1

An Ordinance awarding the bid for Project No. 791-OV for the Mill & Overlay FY24 Program to Amino Brothers Co., Inc. in the amount of \$3,825,766.45 and authorizing the City Manager to execute an agreement for the same. (PWC 4/10/23)

Issue/Request:

An Ordinance awarding the bid for Project No. 791-OV for the Mill & Overlay FY24 Program to Amino Brothers Co., Inc. in the amount of \$3,825,766.45 and authorizing the City Manager to execute an agreement for the same.

Key Issues:

- The Mill & Overlay Program is a key element in the City's yearly Pavement Maintenance Programs. Timely undertaking of it is necessary to extend the life of existing pavement, as it restores the pavement surface close to its original condition.
- Approximately 39 lane miles will be restored under the Mill & Overlay FY24 Program (hereinafter "Project No. 791-OV").
- Project No. 791-OV is funded by the Transportation Sales Tax Fund.
- PWE issued an advertisement for bids for the construction of Project No. 791-OV on March 8, 2023, guided by local policies and state statutes
- Amino Brothers Co., 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 perform the services for Project No. 791-OV.

Proposed Committee Motion:

I move to recommend to City Council approval of an Ordinance awarding the bid for Project No. 791-OV for the Mill & Overlay FY24 Program to Amino Brothers Co., Inc. in the amount of \$3,825,766.45 and authorizing the City Manager to execute an agreement for the same.

Proposed City Council Motion:

FIRST MOTION: I move for a second reading of an Ordinance awarding the bid for Project No. 791-OV for the Mill & Overlay FY24 Program to Amino Brothers Co., Inc. in the amount of \$3,825,766.45 and authorizing the City Manager to execute an agreement for the same.

SECOND MOTION: I move for adoption an Ordinance awarding the bid for Project No. 791-OV for the Mill & Overlay FY24 Program to Amino Brothers Co., Inc. in the amount of \$3,825,766.45 and authorizing the City Manager to execute an agreement for the same.

Background:

The Mill & Overlay Program is the most extensive and expensive street preventive maintenance process performed under the City's Pavement Management Program. The process involves removing (milling) approximately 2" of asphalt from the surface, then replacing it with new asphalt. The mill and overlay process improves smoothness, cross-slope, and ride-ability, while reducing future construction expenses by delaying the need for complete street re-construction.

The primary evaluation tool used to prioritize streets for the mill and overlay is the Pavement Condition Index (PCI), which is a standardized method to evaluate pavement condition. The 1,080 lane miles of streets within the City; the conditions (PCI) of each street is evaluated on a rotating four-year basis.

In addition to the pavement condition, the condition of the curb is also taken into consideration and associated adjacent overlay coordinated with the curb replacement program. Like most municipalities in the metro area, the City is dealing with premature curb failure. This concrete failure is primarily focused on curbs installed from 1980 to 2008. To help manage limited funding for curb replacement, Public Works typically limits curb replacement to streets that will be overlaid in the near future. Ideally, a street will be overlaid within the year following curb replacement. This process minimizes damage to newly placed overlay pavement caused by tearing out curb. Coordinating these two programs produces a finished product with new pavement surfacing and curb similar to a new street. The City's curb replacement program from last year replaced curbs in eight of the fourteen areas outlined in this year's mill and overlay program and one additional area had all the sidewalk ramps upgraded to current ADA standards.

To reduce disruption to residents and to simplify the logistical operations for the paving contractor, staff attempts to group mill & overlay streets by neighborhoods. Overlaying entire neighborhoods streamlines the City's pavement management process, extends the life of the overlay, reduces the unit price for overlay work, and reduces routine maintenance in the area.

Oil prices continue to be volatile in the current construction market. The oil price index increased 35% last year, so the City budget for the overlay program has allocated funds to cover potential price increases. Currently, the MoDOT oil price index increased from \$557.50 to \$598.75 per ton (7.4%) for liquid asphalt from March of 2022 to March 2023. That price is expected to increase through the summer. The oil pricing is an indicator of the material prices, fuel prices for equipment, and energy costs to operate the asphalt plants. Despite the oil index and labor pricing increasing from the same time as last year, this year's mill and overlay bids were close to the estimated amounts to be expected this year. Oil price indexing is a means to help

manage these costs.

Historically, the asphalt mill and overlay program that included oil price indexing routinely received the lowest unit price for asphalt resurfacing every year. Capital projects with asphalt paving can pay as much as two to five times the amount for asphalt paving when compared to the overlay program based on the large volume of asphalt work in the annual overlay program. The low unit prices make it advantageous for other divisions within the City to piggyback onto the overlay contract. City parking lots, fire stations, airport, and other locations have used the overly contract for asphalt resurfacing work.

Timeline:

June - October 2023

Impact/Analysis:

Public Works Engineering advertised for bids for Project No. 791-OV on March 8, 2023. Potential bidders were notified through QuestCDN, the City's website and a mass email notification. Three (3) responsive bids were received by the March 29, 2023, bid opening date. The bids were evaluated, and City staff determined Amino Brothers Co. Inc. to be the lowest and best responsive bidder. Staff had estimated a 10% increase from last year's award price. The received low bid for this year project was 10.5% below staff's estimate.

Vince Schmoeger, Project Manager

Staff recommends approval.

Committee Recommendation:

The Public Works Committee voted unanimously 4-0 to recommend to City Council approval of an Ordinance awarding the bid for Project No. 791-OV for the Mill & Overlay FY24 Program to Amino Brothers Co., Inc. in the amount of \$3,825,766.45 and authorizing the City Manager to execute an agreement for the same. (PWC 4/10/23)

